

Advisory Board Meeting

February 25, 2005

COMR. VAP: -- two or three weeks ago, and he graciously accepted to be excused from the floor of the Legislature so she can be here, but only for a short period of time. The main bill that he has introduced for us on behalf of the Commission, of course, is the E-911 surcharge bill. I am going to ask him to give you an update on just where we are. I have been in his office and have beaten him up --

SEN. BAKER: Yes, I am all bruised. The Committee, and I will say this. Thanks for inviting me over. I am glad to be here, really I am. Gotten me away from all the turmoil over there. The Committee has been inundated by emotional appeals from the family members of those two young people who died out in west Omaha, trying to separate emotions out of it. I know Jerry was with one gal at the hearing and kind of got things quieted down. I guess the Committees and the leadership we are trying -- to keep emotions out of it obviously. We have got such a disparity across the state. This hearing I am talking about, this -- we have Hayes and Dundy County out in the area with no 911 system basically yet. I am talking wireline. We are trying to get these people up to speed, and that is his

job, although I have talked to some of the Commissioners and maybe he has, too. I have been trying to get this thing moving out in that country, there is what, seven counties I think. Two of them are in my legislative district. So, we are trying to get this thing some balance across the state. Of course -- to speed, and the -- way out in front of the pack. So, I don't want to hold back Red Willow County where we are trying to catch the rest of the state up. That is kind of the dilemma we are in. I have a fairly rural committee over there as far as committee members saying, well, we need some things done in rural Nebraska before we address a complete Phase 2, E-911 wireless in Douglas County. On the other hand, we don't want to hold Douglas County back or Red Willow County for these people. So, that is kind of the quandary we are in with my Committee in trying to -- things and put some pressure on some of these counties. Jill, my legal counsel, has worked extensively with some of these counties that have no wireline 911. So, I am over here helping -- looking for help, too, as to how we get some of these counties moving. It is a problem obviously more in the rural area than anywhere else. Mike might want to address some of this. We try and work as a regional group out there with our communications and so on, but one of your cities or towns in Red Willow County just got 911

service because finally the telephone company was bought by --

MR. BROWN: They actually had it before, but the other company was providing it. But they had a nice news release that said the new company -- they had it before --

SEN. BAKER: But was that coming into your PSAP, then? Okay. It is kind of like Hayes County. They have it, but it comes into Hitchcock County.

MR. HERGOTT: One of the issues that I see that this bill kind of helps address is that it is tougher and tougher I think, the counties that don't have any 911 service to get it because, I mean -- particular because it is expensive and the more people that go to cell phones, the less revenue base you have got. Some of these counties just -- you know, if you have got -- like Hayes County, I mean, it has got nine hundred and some people. They just don't have a lot of phones.

COMR. VAP: Well, Hayes County is never going to have their own PSAP and they shouldn't --

MR. HERGOTT: No, but I mean, somehow you have got to tie that all together.

COMR. VAP: Generally, Hayes County is always running behind hoping they can keep gravel on the road as opposed to road signs as you well know.

COMR. BAKER: But we are making some progress.

COMR. VAP: I am not sure how we are going to get some of those counties up to where they have to be so that even Phase 1 is going to work for them.

COMR. BAKER: I am wondering if it might take something with the Public Service Commission and the Legislature together to -- we are going to have to put some requirements on some of these people. Some of these counties have no surcharge on their wireline.

MR. HERGOTT: Some of that -- I agree with you 100%, but, you know, I guess from my -- me speaking here --

COMR. VAP: This is Kevin Hergott, and he operates the PSAP in Jefferson County, Fairbury.

MR. HERGOTT: We in the past have talked, and I think we as a board also voted in Sioux City. It kind of got -- even after we approved it and moved it forward, it kind of got stalemated or you guys decided to change it for some reason or whatever, but that is beside the point. It falls back to that conversation at Sioux City that the only way we are going to move forward. Of course, we were talking -- our -- was moving forward in the wireless aspect was -- just to put a date on it. Notify everybody and say, a certain day at a certain time and give them two or three years

advanced warning and make sure they are notified by certified mail that if they are not compliant with the selective router and everything else, then, we would take their wireless calls because that is what we deal with and we would route them to another county that is.

We are not taking away the 911 that they have because obviously they are in control of their own money. But what we could and do is we can control their wireless lines and direct them to a neighboring county or maybe two counties away and then we would have to -- now, on the same token, we were not taking that away permanently. If, at a later date, they got self-supporting or they signed a contract with a different county to handle them things, then, they could get that wireless line back. That is being kind of hard core but we are to that point. We are. We have given them all the options they need to get the wireline systems in and we just have got to kick the rear end of some of these people dragging alone behind and get them up to speed. I hate to be heavy handed with them, but we are about to that point. So, you have had these options. Now, do it. You have got two years to do it. We have had some changes in our county commissioners in two counties I am most familiar with, Hayes and Dundy County. They have talked -- that doesn't necessarily solve the other five counties. So, maybe to get the other seven up, we need

to look at something like that. Get them up to speed so -- always options. A couple of years, have it done. So, out of the seven counties, none of them are charging a surcharge for landline?

COMR. VAP: They may be, but they are not --

SEN. BAKER: They are not doing anything with it if they are. I guess my question is --

COMR. VAP: I think they are paying for their basic 911 operations out of it is probably what they are doing.

SEN. BAKER: Okay.

COMR. VAP: On the other side of the coin here when it comes to Phase 1, there are some of those counties out there saying why should we go to all the trouble, to spend all the money to get ready to do that and we don't have any cell towers out here.

SEN. BAKER: That is the next issue I would bring up is we don't have cell phone service in western Nebraska that is very dependable once you get off of the Interstate. It is not --

MR. HERGOTT: That is true, but in that same token, and what I just said is we control them cellular calls and direct them to a place that can handle them.

COMR. VAP: If they can make the call --

SEN. BAKER: We can make the call -- I would like to see southwest Nebraska have one call center in

Red Willow County. I am sorry you can handle all these things, but we're handling -- Hitchcock, then there is no reason they aren't handling the whole area out of McCook quite frankly. We have the ability out there to move these things. It is there. We don't have a problem.

UNKNOWN: Frankly, we have the capacity to do that -- anybody wants to --

SEN. BAKER: It becomes a political issue and seeing Commissioners and everybody getting -- being willing to sign on and do it. The other thing that you got into that I see that is a problem, when you talk about 911 systems. Even some people and counties talking about Enhanced 911 systems, is that they are not systems that would meet the state's standards. We have -- counties -- that have Enhanced 911. Well, what they have is a caller ID and then they look at their police records and see if they can find the number. That is not -- there needs to be -- that will probably have to be addressed as part of that.

UNKNOWN: I am not opposed to working toward this goal of getting these people some regional PSAPs out there because it is an expense to Dundy County to have a 24 facility out there. That is part of the issue they have is, well, we just aren't going to do it.

UNKNOWN: -- other states, we have had rural

issues, change their wireline -- our wireline tariff in the state of Nebraska or LB -- that is not -- very, very poor. But again, here again, that is the wireline side of it but you are looking -- and you looked at Iowa's and our surrounding states and their wireline statutes are detailed. You would be mandating them to establish their charges, the amount per se, but yet then there is checks and balances, too. You don't know what each individual county's issues are.

MR. HERGOTT: Well, in my area, I think it is lack of leadership out there, Commissioner. I can say that -- is the media here today? They are changing. They have got a new Commissioner in Hayes County who has talked to me who wants to go so far as being a state assessed county for different issues. They are making some progress. The new Commissioner in Dundy County talked with me the other night and said we have got to get this thing -- carried the ball on it. Maybe we should -- I am ready to provide another nudge to these people saying let us give you a couple of years and get this done, folks, because we have got to get to some uniformity across the state. Right now, this is the first issue. Jerry brought up the next one. We don't have any cell phone service out there to be enhanced. We don't have any cell phone service in a lot of places. Most of the places don't have cell phone service.

UNKNOWN: You don't have to go west to get that.

MR. HERGOTT: Well, it works out west, though. ALLTEL is trying, and we have -- moving into the area in a big way out there. So, maybe it is going to help. We just don't have the service up there now. You can enhance it all you want, but we still can't make a cell phone call.

UNKNOWN: Well, there is a lot of that, you know, in fairness, the telephone company translates back to the number of customers.

UNKNOWN: I understand that it is an economic issue. We have talked about that. How do you encourage someone outside of the wireless USF fund to put towers up where it is not economical? I have given this little talk a lot of places. We are back with wireless right now where we were 100 years ago as well. The real issue is the same, just different technology. We have the same problems, just different technology. I don't get to the last person in Hayes or Dundy County out there. I have townships with not one person lived in them. Nobody put a cell tower out there. There is nobody living in the township.

UNKNOWN: Slowly -- as I said, I won't get lynched. It seems when we addressed that before it was to make a fund to help fund some of the rural counties.

COMR. VAP: In some of our hearings we held last summer, we asked that question. Would you be willing to put money into a fund that goes strictly to build infrastructure. Most people said yes. But getting something like that through the Legislature is not going to be an easy job.

SEN. BAKER: -- beating me up. He has been getting beat up, too. That is where we are with my committee right now. They are saying we have a wide disparity of services for wireless right now. You can back up to those seven counties -- we have some county without the wireline servicing. I think we can solve that with just a nudge -- a legislative nudge --

COMR. VAP: That is -- yes.

SEN. BAKER: You have got to get up there to the 21st Century here quick. It is -- that difficult. My committee is saying we have got to get these people up to speed. We have got -- I can use Red Willow County. They are way ahead of the pack out there with - ready to go with Phase 2. I don't want to hold them back. How do we get some continuity in this thing and get people kind of -- somewhat uniform across the state and let the other issue, of course, we just don't have a cell phone service.

COMR. VAP: It comes down to now, the bill we have in there on the surcharge is how high is it going

to go? I am only giving you an educated guess right now that we are going to be lucky if we get a total of a dollar a month out of this bill. It will not be a dollar increase. It will be a 50 cent increase is probably what we are going to get. If we can get two or three committee members to finally come into the fold because that is what --

SEN. BAKER: That is realistically probably what you are ending up with is a dollar --

UNKNOWN: What is the chances -- just throwing this out -- you know, I was there the day and testified. What is the chances that if you really feel that way, what is the chances of trying to get 75 cents extra and put another 25 cents towards offsetting -- to help -- yes -- infrastructure and debt relief loss.

COMR. VAP: For the county's landline side of it, probably zero from what I understand. You have got a fund. It has been raised to a dollar, and some of them haven't even assessed anything. Some of them haven't assessed the phone dollar. To come and ask for additional funds for that is going to have to come from that side, not from the wireless side.

UNKNOWN: Well, I guess from my standpoint, what I am getting at there, is just like in our case, the day I testified, we can show proof of a 15% loss. In Neil's case, I think Neil's was closer to 25% or 30%

loss. We are both at the dollar and we have both been at the dollar. What is positive is wireless has caused it. Now, I am not by any means here in the approach that I am talking about if we were to put 25 cents -- if you feel you are only going to get 50 cents, and that is all you can get out of them, I guess that is what we have to live with, but can we get another 25 cents -- up to \$1.25 and that 25 cents -- I still feel that 25 cents needs to come to the Public Service Commission, number one. I think it needs to be here. I think it needs to be in a separate fund because what I like about the Public Service Commission is the bills that they are paying have to do with 911 stuff. I would hate to see that 25 cents go into a pot and divided by 93 counties. The counties do with what they want. That is not realistic.

COMR. VAP: That is why I say it is not going to happen that way.

UNKNOWN: If it comes to the Public Service Commission and if we have a 15% loss or if we come up with a number, say, 20% or 25% or whatever, then, maybe our hard core 911 bills, the phone companies could split and send us 75% of the bill and send the Public Service Commission 25% of the bill. Then, it would be paid under that --

SEN. BAKER: We are all on the same page, I

think, pretty much. When I go back to my Committee to discuss, and we had an exec session yesterday, a good one, saying do we need to re-focus our attention on the wireless and get away from the hard line USF, the copper, you know, old USF Fund. Jerry has a definite opinion on, no, we don't want to do that. But my Committee says we are going to refocus on technology, the wireless technology. Let us get away from the USF.

The bottom line of the Legislature's attitude right now is we are not going to raise taxes on people. I am on the Revenue Committee, also. We are just killing bills left and right over there. Anything that has a tax increase in it, it is gone, it is dead. That is kind of where my Committee is coming from, too. If we are going to increase surcharges on the wireless, let us take some attention or some focus off of the wireline USF. We are switching technologies here, folks. How much longer do you need the 6.95% surcharge? If we could get it down to something less than that, and my Committee says fine, we don't necessarily want to do it statutorily. But if we could get that done and refocus our attention on the wireless, we would have more support in the Legislature if we could get a trade-off, a balance here.

UNKNOWN: It seems to me that if you guys are going to do -- attempt something like that, and I don't know the ins and outs of what money is what money is in

that fund. Rather than trying to take money away instead of -- reduce this fund and then shift it to something else or try and get money in another bill for something else, money you are already taking out. Shift a portion of that to something else. It would be a whole lot easier and less work if you are going to do it. I don't know if it is wise to do it.

UNKNOWN: Commissioner Vap here will say that we still have lots of needs but as long as there is money in that USF fund, you are going to have telcoms come up to you and say we have a good idea, we need the money. How long do we let that go on?

COMR. VAP: Some of those things are on a reimbursable situation, but the push was to get broadband across the state and probably the leaders in the broadband are the small companies. They really have stepped up and they have taken their NUSF money and spent it. We have got more fiber in the ground to small communities and even out to individual farms and ranches than any other state in the nation as a result of that NUSF. Over 85% of the state of Nebraska, the people have access to broadband right now. It is all as a result of the NUSF but all that technology still has to be supported. So, just saying let's abandon what is already out there and in the ground, we can't do it.

SEN. BAKER: We don't profess to abandon it.

We just -- seeking some adjustments here.

COMR. VAP: Well, we have had at least one of your Commissioners --

SEN. BAKER: One Senator on my committee, yes, would like to see the USF fund cut down that -- once he has taken all but \$20,000,000 out of it. But, on the other hand, it is a big target for people like Senator Mike --

COMR. VAP: It always is, but he is not even looking at that fund -- takes money and puts it into Telehealth.

SEN. BAKER: Yes, I understand that.

COMR. VAP: And, we have a -- a huge amount of that money goes into paying phone bills or at least a portion of the phone bills for people that are on the Health and Human Services system.

SEN. BAKER: I am not suggesting that we are going to eliminate the USF, but we are talking about some shifts in our focus is what we are talking about on the Committee.

COMR. VAP: You can see we have had some interesting discussions.

MR. CONREY: I would like to bring up a couple of things. We actually reside on East Elkhorn or west Omaha.

COMR. VAP: Is Elkhorn going to annex Omaha or

is it --

MR. CONREY: I wish they would just walk away from this because -- caught in the middle more than anything else. I want to go back to a couple of things, okay, that you said just to get us where we are going because you are talking, and I am not saying this disrespectfully, but you are starting to talk out of both sides because there is something coming that is going to really hurt the whole thing. But I think if we establish that 911 is a local government responsibility because it is the local government's responsibility to decide how they are going to intake calls and how they are going to get the response out. I mean, it is their decision because when you do 911, I mean, my phone bill is only like \$700,000 a year. I know we take in \$1,500,000 in surcharge at 50 cents. We have a lot more requirements. I mean, I have a \$4,000,000 budget, and we are taking in -- we are lucky to take in \$1,500,000.

Of course, we are limited -- we are limited to 50 cents by law. Our revenue is starting to go down. The local government decided that, okay, we are going to take in the money and then all of our upgrades, we are going to set money aside so we can continue to buy it. If we put it all against it, we wouldn't be where we are at today.

We wouldn't have the tools that we have today. So, each local government when they decide to have 911 is not only investing in phone, they are investing in every other tool that it takes to get public safety out there.

There is a lot of misnomers about 911 local surcharges.

I don't care. I have been audited. I don't think -- I think some of them are just that. When I hear you say that on the western part of it where we have got to make a decision on what we are going to do, again, that is a local government decision. The FCC has mandated and through the president has mandated that the solution to that is the governors. Okay. Now, nobody has stepped up. Nobody has -- you know, there is very few across -- states across there have stepped up to do the mandate to figure out how they are going to cover their state. But the decision was laid at the governors because the FCC wasn't going to make any unfunded mandates. 911 on the wireline, it is a tremendous thing because if we don't address the losses, you are not going to have anybody to answer the phones. These losses right now are coming at a great rate, so, when we say, hey, what happened to answer 30 to 40 to 50% of the phone calls in their wireless, and my wireline is going down. In probably four years, it will go away because once we get into Voice Over IP, there is going to be no wireline surcharge unless something happens. So, both of these,

you can't ignore -- I mean, today is the day to act because otherwise by the time we get there, local governments are broke. You are asking counties in the west to take on 911 responsibility. There is no way that funding stream isn't going to be there. That funding stream isn't going to be there for most of us today. So, when they talk and say, hey, we would like to have 25 cents to help make up for what we are losing, we are just starting to see the loss, and that loss is going to get worse every year. It is critical, and I don't think this wireless one is going to be the answer for wireline 911 or for wireline service. Somebody is going to have to draft legislation to say we want 911 to be available throughout Nebraska. If you won't do it, this is the way it is going to be. Okay, you are right. That is probably the way you are going to have to be. But who is going to have to pay for that? You know, you are using these broadband -- you know, what did you say, the Universal Service? Oh, yes, they are doing a lot of the broadband or they are helping out there. Well, guess what they are going to do? They are going to take away the requirement for local phone service because that will become the local phone service under Voice over IP. So, we are in --

COMR. VAP: And, unless there is -- all on a wireless IP system, you still got to have the wireline

out there to run their broadband.

MR. CONREY: No, the broadband -- what they are developing is their broadband is to back haul. The broadband is the back haul to the switch they are using. They are using their broadband to --

COMR. VAP: But they are still using the switched network.

MR. CONREY: Yes. They are using a switch, a router, but under Voice over IP, it is all done IP based. So, they are not using the --

COMR. VAP: It is but to terminate the --

MR. CONREY: But I mean the new ones that are coming.

COMR. VAP: What some of this is coming down to, at least on the bill that we are discussing, is what the surcharge is going to be. One of the major questions the Committee has had is how did you get to \$900,000 a month recurring if you have the system all up and running? Your recurring charges of \$900,000 a month. They think that is an exorbitant amount of money, and they are not right now wanting to put that money out for it.

SEN. BAKER: Right. I could not get that bill out in any way, shape or form today. It just wouldn't happen. We are trying to massage it and get some sort of a compromise. I have some very opinionated people on

there in the form of Mike Foley who is -- he is not going to let go of this thing. His bill is heard next week and the Appropriations Committee dealing with USF I think is next week, too.

COMR. VAP: His question to me is at the hearing was cost of technology continues to drop rapidly. What he doesn't realize is we are not talking about PCs here. We are talking about specialized equipment, that there is a limited market for, and a huge demand on upgrades for all the mapping and everything else that you people have to do to stay current. He hasn't been able to get that locked in his consciousness at this point in time. So, that is why I say we are going to get probably a 50 cent increase and probably not a whole lot of sympathy for anything else.

UNKNOWN: This isn't the way I really want to go, but I guess my Plan B question is if you stay with the 50 cents that you think you can get now for the wireless, what is the chances that you could back up and do something like what Ginny said and go through the wireline bill and allow it to be doubled? That is not the solution -- but I see that as a temporary because I agree with him. Five years from now, it will --

UNKNOWN: I understand that --

UNKNOWN: But for the time being, if you would double the dollar, and, in his case, you are 50 because

you are metropolitan -- am I correct?

UNKNOWN: Yes --

UNKNOWN: And, if you were Elkhorn, would you still be metropolitan? Oh, okay. So, in his case, he would double to a dollar and we could double the two dollars, but the only way I want to see that happen is if we put some nuts and bolts into the bill. That has got to come from --

UNKNOWN: I tell you it is going to be a hard sell to raise that from a buck to two dollars.

UNKNOWN: I don't think you are going to get locals for that. What if we allowed local entities to add a surcharge to cell phones just like they do to wireline phones. Then -- put it back on local control -
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UNKNOWN: I have some portability problems. That is why somebody said channel it through the Public Service Commission. Where the bills are sent, or I --

UNKNOWN: How do you know it isn't going --

UNKNOWN: Yes.

COMR. VAP: Currently, we are already assessing the cell phones.

UNKNOWN: Well, the state is, but what I am talking about is money that could be used to offset the loss of revenue to local --

COMR. VAP: I don't disagree that the cell

phones probably should be paid a portion of that --

UNKNOWN: -- go back and exact -- offset our loss in revenue because newer -- and, they are right. You know, it would be very difficult, for instance, in Red Willow County right now with the deduction in wireline phones in the last three or four years to go in and fund the same E-911 system we currently have. I think you are going to see that more and more. Counties are not going to be able to go in with the revenue stream they have from the dollar and pay for the equipment and stuff that it takes to bring that service in. So, if we had the ability to put a surcharge, a local surcharge, it doesn't need to be a dollar. You know, it might be 50 cents or something to allow us to -- it would be at local control. The local would have to agree to do it and get it through their own population to do that to offset that lost revenue by the --

COMR. VAP: I think you are dreaming.

MS. VANCE: I have a suggestion. It is kind of creative, but you have to be creative -- we know in the rural areas we have no -- regionalization -- and we know that because -- but yet the local governments are resistant to that. Yow do you overcome that? We know we need to overcome that, but on the wireless 911 side, right now we are at a standstill, that we need to move forward. It is a government mandate that we have to

move forward for Phase 1 and Phase 2. Right now, our Legislature for wireless is 100% cost recovered. Does that make sense? No. There has been many shifts in Iowa, many shifts in other states that have gone -- Phase 1 has been -- 100% cost recovery. But Phase 2, really ought to look at other avenues, and pushing some responsibility back to the wireless carriers that the FCC had recommended a year ago.

UNKNOWN: My legal counsel has a file -- for that stuff --

MS. VANCE: Yes, on that, yes. Right now, we know in our state infrastructure, you know, you are talking about nonrecurring right now. In our state right now, I mean, there is shift going on -- about AT&T. ALLTEL is buying -- there has been overlays, and we know -- our infrastructure is going to go down. I think, you know, we had kind of talk, and Mark and I -- talked about this. We are going to have probably only two to three carriers on a -- they are all buying each other -- so, we have got infrastructure going on with them, and they are going to be combining their mobile -- I mean, we are going to see it. I think our infrastructure fees are going to go down off of Phase 1, our current nonrecurring I think is going to go down.

UNKNOWN: She is right. But I saw that there

was something. I said, why is the Legislature -- why is this bill trying to recover the cost for the cellular companies? Why not allow the cellular company to recover the cost from their customers to provide Phase 2? The reason I say this is there is an incentive there for them to not try to get it all at one time like they would from us. They would be able to put it over there.

If their costs were for providing Phase 2 is this, and the other is this, well, we had better rethink our business because, if not, our customers are going to go somewhere else. The other thing that really is going to be there is, and you can see it now on your phones, they are going to sell this technology and make money at it for other avenues. In other words, it won't be hard for you to be out there, open your cell phone, go out on the Internet, hit a button, and say, okay, where are my four closest restaurants? There is all kinds of services that they are providing. They will do it through their web, okay. So, I am saying, wait a minute, they are going to be able to generate revenue from this. So, let us get out of the business of trying to offset their costs and let them go direct to the customers. Now, they have got a dilemma between, okay, how much do we charge because this provider is only charging this, this provider is only charging that. They are going to regulate themselves.

UNKNOWN: I agree with you to that, but then I want to ask you one other question. If we go that route, then, how are we going to get the maps and the computer --

UNKNOWN: The dollar will be sufficient, then. The dollar would be sufficient to do that, and then once it is implemented, it can come down from there. I don't see it unless we change. You are going to add 50 cents this time. We are going to be back at you next year. We are going to be back at you, we are going to be back at you, we are going to be back at you. So, the only way is that -- you can probably get there from here. You can get there from here.

COMR. VAP: And, going through the process of figuring out how much money it is going to take, there were some of the cellular companies that said we are not going to charge anything for Phase 2. We are not going to ask for money back. So, Mark, if we could get 100% of them to say we are not going to ask for any money back, that is going to drop the cost immensely.

UNKNOWN: Well, what if we tell them, well, ask all you want. We will get it from their customers.

COMR. VAP: That is a possibility. There may have to be a statutory change to do that.

UNKNOWN: Well, if you do that, you know, if the state is going to give that kind of authority, then,

I think because we have seen some wide discrepancy in charges in telephones for a variety of things, I think the state is going to step in and say, you can do it, but you can only do it to recover your costs. You can't keep charging forever and make that kind of money off of these people --

COMR. VAP: Guess what? We tried to get some regulation just to check on the bills. It went down in flames.

UNKNOWN: To try and say, you know, we are going to just shift it over to the private industry and then kind of moves to do whatever is not very -- I agree, but that is another battle that is --

UNKNOWN: The only problem you are going to have is in your area, and the way I see it is in my area is that, you know, the -- company is going to charge what he wants and he is going to continue charging what he wants until he has competition. The competition is going to keep that price down. But if you don't have competition in the area --

UNKNOWN: And, in rural areas, you don't have competition --

UNKNOWN: That is what I am saying --

UNKNOWN: -- because there is not -- you are leaving a sizeable portion of the state -- whomever it is. I mean --

UNKNOWN: I don't disagree with what he is saying. I question whether that 50 cents is going to cover -- we know the 50 cents will cover it. The only scenario is the rollout window at 50 cents is probably going to be a few more years.

COMR. VAP: Well, I think the bottom line is going to come down to -- we are going to get a 50 cent increase. We are going to have a buck.

UNKNOWN: Pressure on now to get the 50 cents.

COMR. VAP: That is right. Then, it is going to be up to this body right here, this board, to recommend how soon Douglas County and Sarpy and Lancaster and Jefferson and Red Willow and Buffalo and the rest of them that are ready can move to Phase 2 because that would provide some money to do it.

UNKNOWN: If we was to make that mandate backwards, like what Mark just said, to the company, what is that going to entail from your standpoint?

COMR. VAP: I think it would entail a statutory change. If the statute says that this fund is to be provide 100% cost recovery, then, we as a Commission can't say, oh, time out, we are going to change it. It has got to be done by the Legislature.

UNKNOWN: Can we amend the bill? Do you see that as a problem?

UNKNOWN: Could be, yes.

UNKNOWN: Other than the phone companies being

--

UNKNOWN: Yes.

MS. VANCE: Our company is not going to --

(Off-mike conversation)

UNKNOWN: Somebody has got to provide some oversight to them. What is it they are going to be charging us for and so on? I don't know. I think I would rather go and establish a wireless USF Fund or some sort or other. We go back -- we can't very well do it on an address basis. Some of these companies have all their phones within Omaha and they have got people scattered across the state. So, it would be a billing nightmare. That is some of the thoughts we have been kicking around. Just put in --

UNKNOWN: In our case, all of our money would go to Beatrice. The phones are sold in Beatrice and have a Beatrice zip code attached to it.

UNKNOWN: Well, your recurring costs, then, should be pretty minimal.

MS. VANCE: -- I don't know where it is labeled in our current wireless bill -- it does state that the wireless carrier is -- I can't remember --

UNKNOWN: And, generates revenue.

MS. VANCE: Okay, and generates revenue.

UNKNOWN: They are ineligible.

MS. VANCE: For -- probably -- when they are doing -- but, yet, they are still coming to us for -- but, yet, they turn around and selling phones with -- they are reselling it --

SEN. BAKER: I am going to be rescued by the clock in just a minute. You see the problems we have. I can't get five people on my Committee to agree to anything right now. That is one of the reasons I am over here to see if we can't work through this and get some rationale.

COMR. VAP: We are going to be working early Monday on this thing.

SEN. BAKER: You have got to understand, too, I -- on my Committee. We have been through public versus -- telecom bills. We just killed a bill yesterday with -- this is one issue on our Committee that -- I will tell you, that has been -- I am sick and tired, I can say that, I am sick and tired of working with -- we are finally getting that to a head. So, now, honestly, the biggest issue we have left in our Committee is this one.

We have worked our way through the -- issue. We have worked our way through the telecom versus private, republic. We will focus our attention on this now. It will be over there. You people know where I am, know my phone number.

UNKNOWN: -- the southeast corner -- all I am

asking, I am hearing all these issues, all these concerns -- all I am asking is please be cognizant of the fact that --

UNKNOWN: -- not careful now, starts going down -- hard to --

UNKNOWN: Tom has been an EMT for many years, so, he is well aware of what we need to be doing here. It is the Committee he has to convince that we have to move forward.

SEN. BAKER: We may be able to be the bad guy and create some efficiencies in PSAPs and stuff and get these things out of the little counties. That is major cost to a county with 1,500 people in it.

UNKNOWN: When you get that one done, you are going to be blessed because then after you pull that one off, then, you can start on the schools.

SEN. BAKER: We are already working on the schools. It is not like we don't have enough issues this year. We may very well be able to create some efficiencies by putting these people -- requirement. They put this in place and worked with a regional dispatch center instead of -- we have got two counties here and one up there and one over here. It is ridiculous.

COMR. VAP: Mark, you have been extremely quiet here. Senator Baker is about ready to bail out. Do you

have anything you would like to -- Mark is from
Scottsbluff.

(inaudible)

SEN. BAKER: You have a Senator you need to
work on a little bit from Scottsbluff-Gering on the scan
issue.

MR. CONREY: I guess I do take exception to
some of your comments here -- the fact that the --
western part of the state is -- it is certainly driven
by the -- customary -- out there -- wireless is making a
-- so, our rural areas --

SEN. BAKER: How big an area is that, though,
because I hear from the --

MR. CONREY: As I understand, too, cellular
coverage is based on what we -- areas out there --
(inaudible) -- you know, it is strategically located
cellular towers that cover the biggest towns and -- are
areas -- not going to cover it -- quite frankly, -- a
half a million dollar tower, and we get three calls a
day on that where we have to generate revenue on. We
are not going to do it.

SEN. BAKER: I understand that 100%. That is
the issue -- I am not being critical to ALLTEL's
westerns and bureaus because you have to think just an
economic issue or you go broke. The problem is how do
we get that service out there whether it is through

wireless, USF, or what. Every year -- it sounds like the better coverage than we are in southwest Nebraska because --

UNKNOWN: I think we actually are.

SEN. BAKER: What you are saying is probably -- I don't have any doubt that you are not telling me the straight story. We don't have that coverage in the -- Commissioners, I will tell you that. It is not there. We don't have it.

UNKNOWN: That is an individual industry issue.

Then -- if anybody can make money, and I am not going to put a tower up in the middle of Sheridan County to get three calls unless the Public Service Commission wants to certainly fund me to do that, I will be happy to do it.

UNKNOWN: And, that is a policy issue of what we are trying to decide where we are going.

UNKNOWN: Right. And, as I sat down here, I am trying to figure out what the question is here. Where are we going with this discussion? It says basically you can't get \$1.50 on the bill with the Public Service Commission that Jerry -- Commissioner Vap introduced here -- and, I understand, but one of the problems here is that if we don't go to \$1.50 and we go to a dollar, and I think Kara sent something up and said it is going to take us 17 years to get enough money to fund the

PSAPs and the cellular carriers, also. Some of them have indicated that they won't take the money but it is a very expensive technology to get out there. So, the question is how bad do we want to have E-911, Phase 2? It comes right now to can we afford it? If we can't afford it, we can't do it. This committee might as well go home. I mean, because if we don't have the money to work on it, we can't do anything. I am pointing out the reading in the paper several weeks ago about a young couple that was in a snowstorm, Sarpy County. Is that right?

COMR. VAP: Yes.

UNKNOWN: And, however, unfortunate that was, I understand that there were drugs involved, but that might be rumor, too, I don't know. At that point in time, everybody is pointing fingers at E-911 and saying why don't you have this done? Well, first of all, we don't have enough money. We don't have the authority. We can't tell counties what to do. We can't tell cellular companies what to do. As unfortunate that is, unless the public wants to pay for this, it is not going to happen.

COMR. VAP: Angela, Kara, and I and Anne Boyle spent an hour with the sister of the woman that died, and basically took her from being extremely upset and mad about the whole thing to -- through the process of

what it would take to get to that particular point where they could have made a call and been located perhaps if they were not even on drugs. She did come around and finally say, okay, now I am to the point where I would like to help out rather than point fingers.

UNKNOWN: Well, it is curiously interesting to see that people want these services just like all the rest of the government that you deal with, Gary, and Senator, you deal with, too. Everybody wants these services but they don't want to pay for it. That is the long and the short of what we are doing right here unless we get -- under the present rules, we --

UNKNOWN: Some authority to collect some money to get this in place. I understand that.

UNKNOWN: If we don't have the money, we are not going to do it. We might as well go home.

COMR. VAP: I have basically laid it on the Legislature and said you are going to determine how fast we get to Phase 2, 911. It is not the advisory board or the Commission. The Legislature has the power to do whatever it is going to be. I currently don't see the will to go to \$1.50.

UNKNOWN: So, we don't do E-911?

UNKNOWN: Well, we do it in segments, and the counties are ready to go. Your plan was \$1.50 and we had those flow charts, laying on my desk. It is

aggressive.

COMR. VAP: The main reason we can't -- we are not going to get the \$1.50 is because they -- the committee has looked at it, and said, okay, \$1.50 gets you there in five years. You have got seven counties out there that are not even ready to start. So, why should we give you \$1.50 if you may have potentially 30 counties that couldn't get there in five years.

UNKNOWN: Well, we only have, what, 46 or something.

COMR. VAP: Forty seven that are ready --

UNKNOWN: Forty seven, Phase 1, ready to go to Phase 2. So, that is what the committee is looking at as part of the discussion, is maybe we don't need this whole \$1.50 right now because we have half of the counties in Nebraska that are not ready to go to Phase 2. They aren't on Phase 1. They are not doing what they --

(inaudible)

SEN. BAKER: That is where we need to come back, clear back, up to the wireline 911 as the Legislature -- I am ready to say we had better get those seven counties kicked along -- get that done -- I will carry that bill --

UNKNOWN: I have a question to ask. With all the money that we are -- what would happen -- 911 in

order to get Phase 1 out in a regional area? We put the feedback in order to take on that responsibility or share the responsibility into a regional feedback. I mean, what would that take?

SEN. BAKER: So, then, you are going to start paying for the personnel to answer 24 hours a day -- you are going to start paying for all the other things that it takes to run a PSAP. Okay. So, that is why it is a local government consideration. If the local government is going to commit to it, I mean, my government is committed to a \$4,000,000 budget and we generate \$1,500,000 off of surcharge because they said, okay. We will take the General Fund and supplant what we are doing. Now, if you are going to say we are going to take this money and we are going to totally fund the PSAP, I will be right in line. I will be right in line for that one.

UNKNOWN: I am just being creative.

SEN. BAKER: I think western Nebraska is calling.

UNKNOWN: There is another way. We have always talked about the separation of wireless and wireline. We all have communication centers. I know the city of Scottsbluff does not want to fund the county communications center or PSAP because, you know, the

county does it and we handle all of Scottsbluff, part of Morrill, part of Kimball, and part of Sioux County.

Well, the city of Scottsbluff doesn't want to help us pay for it. We recognize the fact that, okay, this is something we need to do. We have to have consolidated communications. Then, we say, okay, you jerks, we don't want your money. We will just do it for you anyway which is unfortunate. But it becomes a financial issue.

Why are we separating broadband wireless and wireline?

Why don't we combine all of that and then figure out where that money is going to go to accomplish the greater goal of 911, E-911 funding of PSAPs and everything go together? A possibility, because clearly, cellular, wireless, is becoming -- well, it is now, there are more wireless phones out there than there are landline phones. You guys are seeing the revenue go down. At our communications center, we see our revenue going down. Mark, you could probably tell me better, but -- I know I am in charge of the budget, but I am thinking it is like a third of the money we get for our PSAP -- comes out of the 50 cent or a dollar now -- dollar fee that we charge for landline phones, and that is continually going down. How are we going to make up that revenue? Maybe what this committee needs to do is recommend to the Public Service Commission is that we need to combine broadband wireless and wireline. Fund

that all together and to get the job done and accomplish the greater goal of communications.

UNKNOWN: Then, what you are going to run into is the wireless -- I mean, when we started down this road, the one thing they demanded for this bill to even get passed is that it not go to the PSAP, that it go to a central fund. Okay. Because the PSAP, you know, they put out that BS about -- or the PSAPs are mis-spending the money. I mean, they had everybody convinced that they did it. So, I was audited because of that BS. I said, here they are, look at it. What the problem was is that was a lobbyist tactic to try to say, no, it doesn't go there. For what you are asking, is for all that to go to the local PSAPs or the local PSAPs can get -- and to do their job. The wireless and broadbands will never allow that because they are not going to be regulated.

UNKNOWN: I will tell you one thing. I was one of the first members, as Ginny was, too, and you were, too, on this committee. One of the things that I was adamant about is that 911 is not going to work unless you have the cooperation of the cellular companies. In other words, we have got to put the chip in the phone. We have got to be the ones that are -- that is going to cooperate with this. So, if the Public Service Commission excludes the cellular companies from any of

that money, they are going to drag their feet and it is not going to happen. So, I guess what I am saying is you have to share that money that is coming in from the public with the cellular companies or they are going to drag their feet and it isn't going to happen. That is just not a Nebraska situation. That is a nationwide. So, you have to do that. So, that is why it makes kind of sense to combine everything, and then divvy out the money on a -- I don't want to say on an as needed basis.

I haven't really thought it all the way through, but, you know, some formula where the PSAP gets some of the money, that the cellular companies get some of the money. Maybe even a county so they can do rural addressing which gets some of the money. If that is what your goal is to get everybody with Phase 2, 911.

SEN. BAKER: That is where I am coming from, and I think some of my committee members are, too. This is bigger than wireline or wireless. It is all together and some of the equipment is compatible -- obviously, the staffing, what is that -- but, that was the lines we were thinking the other day was how do we transfer this stuff? I think we are not opposed to raising some additional revenue, but we are not going to raise the whole dollar fee that they have suggested in the bill. But maybe we can take some of the USF and redirect some of this. If we have to do it, we can amend that bill.

That is what we are sitting here thinking about doing, amend that bill. Then, we pick up fully, and we pick up some people that -- we want to increase the pot of money obviously, but we are not just willing to leave the wireline, USF Fund where it is. It is not accessible to the wireless people, but to transfer that somehow or other through some amendment -- this all goes together.

That is the point. It is all goes together. Overall, I can say the Legislature, as a whole body, you can -- out of committee, my committee, that doesn't guarantee it goes on the floor, though, either. You have got to have 25 votes and the Governor sign on this thing. If we get too much new revenue generated for whatever reason, it is going to get vetoed probably. Although, the Governor is very supportive of communications and homeland security issues and so on.

UNKNOWN: -- if you are going to -- and, I don't know if it is wise or not, so, I am not going to -- if you are going to shift money around, then, say take it from these wireline, Universal Services, or wireline -- I know -- reduce -- put it in over here someplace else. I think you have got to keep -- trying to get it back --

UNKNOWN: When you start talking about moving wireline, USF money around --

COMR. VAP: If you think the cell phone lobby

is powerful, just wait until you run up against the whole family --

UNKNOWN: I am not suggesting right or wrong. What I am saying is -- you get money back and then try and come back and say, okay, we are going to try and get it again in a different bill --

SEN. BAKER: When I am term limited out -- can have my job in another session.

COMR. VAP: Thank you very much.

SEN. BAKER: You can see the frustration in the chairman here. I think I understand the issues. It is how we get where we want to be. If I ruffle some feathers along the way, I am sorry. That just goes with the job, but the telecoms are watching this very closely. They are very protective. It is kind of like the highway trust fund, folks. You don't mess with the wireline USF Fund.

COMR. VAP: They are pretty adamant.

SEN. BAKER: You get them fighting us with this thing, then, the whole thing probably just disintegrates.

UNKNOWN: That -- the wireline goes away.

COMR. VAP: Well, they don't think it is going to.

UNKNOWN: Obviously -- my server out there is Great Plains, a big part of rural Nebraska. Their

wireline customers are just dropping like a rock. They are dropping faster than yours are.

UNKNOWN: When Voice over IP, you know, we have got three more people offering the solution in Omaha this month than there was last month. Once they really come, there is no stopping them.

COMR. VAP: Well, there isn't but there are some inherent problems with wireline, with Voice over IP, and wireless from your standpoints. VOIP doesn't provide any 911 service in most cases, in fact, 99% of them. Time Warner is the only one that said they would do it.

UNKNOWN: I agree.

COMR. VAP: In time, it will, but --

UNKNOWN: How do you balance public safety in -- how long does it take that technology to catch up? I mean, it is quite a balancing act.

UNKNOWN: With all due respect, if the individual or the companies, whoever, doesn't think that wireline is going to go away with the present trend towards wireless --

UNKNOWN: I agree with what you are saying. I think the landlines are going to go bye-bye. I think in five years, it is going to be major. There is almost to a point where -- I don't know how you do it, but I think you would have to have a bill to stop the Voice over IP

from moving forward until they feel that --

COMR. VAP: It isn't going to happen. Let us take a break here. Thank Senator Baker for coming over this morning.

(inaudible)

UNKNOWN: Good morning. I believe this meeting has not been officially opened. As long as we are being reported here, we need to do that. I would call the meeting to order, and ask the clerk, or whoever is taking records here that we have, in fact, a quorum.

UNKNOWN: I believe we do.

UNKNOWN: To vote on issues.

UNKNOWN: Yes, we have seven.

UNKNOWN: New members to the board. Mark Conrey, other members? Welcome, Mark.

MR. CONREY: Thank you.

UNKNOWN: Let us say.

UNKNOWN: For Mark's benefit, can we go around the room and share who we all are and what we do for a living? I don't --

MR. MASTERTON: Well, I will start. For the time being, I am chairman, I guess. My name is Mark Masterton. I am chairman of the Scotts Bluff County Board. I am also appointed to this committee as was pointed out based on the fact that I am general manager of Indigo Wireless in the panhandle of Nebraska.

MR. GOOS: Roger Goos. I am the managing director for Nemaha County in the southeast corner of Nebraska.

MR. HERGOTT: Kenneth Hergott. I am the 911 supervisor at Fairbury, Nebraska, for Jefferson County.

MR. MCLAUGHLIN: Gary McLaughlin at ALLTEL which has coverage statewide.

COMR. VAP: Jerry Vap. I am a Public Service Commissioner. I represent the Fifth District which is 51 counties west of Grand Island.

MR. BROWN: My name is Ike Brown. I am the police chief and operate the county-wide E-911 center in the current Red Willow County, Nebraska.

CONREY: Mark Conrey, obviously, from Douglas County, with Omaha. I have been the 911 Director for 9 or 10 years. I was involved in the drafting of this original bill. I have been involved in several legislative issues as well as running the 911 center. So, I really am -- relish the opportunity to see what is going on.

MS. VANCE: I am Ginny Vance with -- I am a service manager. I represent two states, both Iowa and Nebraska --

MS. MELTON: I am Angela Melton. I am legal counsel for the Commission.

MS. RAFFETY: I am Joan Raffety. I am the 911

Coordinator.

COMR. VAP: Kara is ill today. So, she won't even be with us on the phone.

MR. MASTERTON: Well, we will recognize that. I guess officially, I will call the meeting to order. I suppose officially we should have a roll call, too. Who would be doing that?

MS. MELTON: I can do it. Sheriff Muller? Kevin Hergott?

MR. HERGOTT: Yes.

MS. MELTON: Bill McLarty? Gary McLaughlin?

MR. MCLAUGHLIN: Here.

MS. MELTON: Mark Masterton?

MR. MASTERTON: Here.

MS. MELTON: Ginny Vance?

MS. VANCE: Here.

MS. MELTON: Roger Goos?

MR. GOOS: Here.

MS. MELTON: Isaac Brown?

MR. BROWN: Here.

MS. MELTON: Mark Conrey?

MR. CONREY: Here.

MS. MELTON: Bob Howard? Then, the --

MR. MASTERTON: We do, in fact, have a quorum. Are there any emergency agenda items for today?

MS. MELTON: I don't believe so.

MR. MASTERTON: We need a motion to approve the agenda as submitted? Is there any discussion? In deference of having a roll call vote, all those in favor say aye.

ALL: Aye.

MR. MASTERTON: All opposed. Motion carried. Do you have any correspondence to receive?

MS. MELTON: We do not. I think under correspondence, I would only report what Commissioner Vap talked about earlier is that we did receive an e-mail from Jan Howard who is the sister of the young lady who died in Sarpy County. We have since met with her, talked with her. She has stayed in touch with me. I advised her of today's meeting. She could not make it, but she has just been asked to be involved and receive notice of things that are going on. She did testify at the hearing on the bills that we have before the committee.

MR. MASTERTON: We probably need to include those or that item into the record and have it attached to the record. So, we will receive that, and I will make a motion to receive that into the record. Need a second?

(Motion carried)

MR. MASTERTON: We apparently have some legal issues to take care of which is signing of

confidentiality agreements.

MS. MELTON: These are the same ones which were done last time but since we are starting a new year and have some new members, we will do it again. The old ones will be destroyed. We can make copies that have questions about it -- we would ask that you print your name and your signature so that we can --

MR. MASTERTON: If you will please turn those in after the meeting along with your --

MS. MELTON: Why don't we pause on that for a moment? I will get -- go over the forms -- for your mileage reimbursements -- kind of go over the general -- policies for that.

MR. MASTERTON: Review and question the session for board members. I am not just exactly sure what that is.

(inaudible)

MR. MASTERTON: That wasn't further on down which -- review of legislative policy.

(inaudible)

MR. MASTERTON: Does anybody have an additional item that needs to be discussed underneath that agenda item? Okay. We will move on to a demonstration of GIS data repository. Brenda, you are on about travel, I guess. We are going to have to take care of that first.

MS. WICKEN: First of all, I just want to tell

anybody if you are a new member, be sure and leave with either Joan or Angela your name, address, and Social Security Number so we can get you set up in our address book, in our payment system, that the state uses so that we can make sure that any expenses you guys incur can get paid to you. We need that in order to do that. The first thing I wanted to mention then is the mileage. The rate for the state is as 40-1/2 cents per mile. I do have some copies of expense forms that you can take with you here. If you want to, we can have them e-mailed to you. You can do them electronically and then print it out and then send it to us because we do have to have an original signature. So, we do have to have a printed copy. Here is some if anybody needs it. Let us see. If you would happen to incur any expenses regarding meals which, if I understand right, this is all pretty much one big travel. If there is any overnight expenses, we can talk about that, how that all works. I don't think that that is probably going to be happening. Otherwise, if there are any receipts that need to be claimed, like parking or anything like that, we need to have the original receipts sent in with that.

MS. MELTON: Does anybody have any questions? Have any of you run into problems with your expenses being reimbursed or had any questions about the form, the process? If you want to fill them out while you are

here, you can certainly leave them with me. That way, you don't have to mail them in later.

(inaudible)

MS. WICKEN: I will leave them with Angela so if you need any of those --

MS. MELTON: We can just pass them around.

MS. WICKEN: Anybody else have any questions? If you ever have any questions regarding travel or what not, I will give you my phone number and you can call me. It is 471-0219. That is my direct line. I do have voice mail in case I would happen to be away from my desk. Just leave a message and I can get back to you. All right. Thank you.

COMR. VAP: Angela, you probably should provide them all with new e-mail addresses for the Commission here.

MS. MELTON: That is a good idea. We have changed our e-mail address. We will send out an e-mail to everyone. It is at the bottom of the list that Joan has circulated. That is the current one for us. Everybody's e-mail in the Commission is pretty much that standard form. As of March 1, they will no longer forward e-mails from our old e-mail address. They have been forwarded up until now. It will stop. So, if you send it to our old e-mail address after March 1, we won't get it. It is angela.melton@psc.ne.gov, and

everybody's will be first name, last name, with the dot in the middle. They have been all updated, I believe, on the web. So, if you go through our web site, I think they have all been updated there. If they haven't been, they will be by March 1. Okay? Anybody have any questions? I believe -- are we ready for GIS?

UNKNOWN: We will move right into the GIS demonstration or GIS Data Repository. Gentlemen, you will identify yourselves for the record for us?

MR. TOOZE: My name is Marcus Tooze, president of GIS Workshop. This is Andrew Rutledge. He is a new developer for GIS Workshop -- demonstration of the 911 GIS -- (inaudible) -- it will only take about 10 minutes. So, again, what I am here today to talk to you about is the GIS -- the 911 GIS Data Repository System that we prototyped for the -- E-911 directed to Kara. What I will do is just give a brief introduction to who we are, what we do, and then quickly go through the web based system that we developed. GIS workshop or GIS, Geographic Information System. We work primarily in software development. We do provide -- about 50% of our revenue is county-city based. We are all based out of Lincoln, Nebraska. So, our primary clients are Nebraska counties, so, we have a pretty good idea of about what is going on with county government when it comes to GIS.

This big old list is the kind of folks we work with. Probably a bunch of counties around there already. Our primary applications or our primary work in the county level is 911 database creations -- do not create dispatch software systems. That is about one of the only piece of -- we do not create. So, we don't compete against folks like -- Positron and so on and forth.

What we do -- what we are very good at are creating the databases that go into those software dispatch systems.

We are also good at handling the data that is used to run those systems. That is what we built is a statewide data management system for these GIS data. So, as you may or may not know, these new dispatch systems that are going to enable PSAPs in Nebraska to handle wireless 911 calls. They rely quite heavily on an accurate GIS system, in fact, an accurate street center line GIS. In other words, an accurate digital map of every single street, road, interstate, state highway that exists in the state with all the addressing information that goes along with each street segment. I foresee Nebraska we are in the middle of nowhere. The big companies that deal with these types of data, the federal government don't care to worry about places like Nebraska and Kansas and the Dakotas and so on. That is -- the Nebraska Public Service Commission to fill the void that has been left with accurate -- data that can be used in

these 911 dispatch systems for the PSAPs. There was a process last year that Kara Thielen went through and selected a number of vendors to provide the various pieces of technology to make this system work. We happen to be one of the selected data vendors for the state along with GO Com. Of course, there were about four or five software dispatch systems that were also selected. So, what if we put together -- what are the problems associated with putting together a system like this? Well, first of all, technically this software and these databases are not simple. They are fairly complex. If you are not a GIS technician or a GIS expert, it would be rather difficult to manage all of these data. How many PSAPs have we got? Fourteen? In the state? So, how many PSAPs?

(off-mike conversation)

So, we have got 80 or so PSAPs which we are all going to need these GIS databases to make the systems work. Kara Thielen is in charge of managing all of those databases. She needs to manage or she will be

needing to manage the creation of these databases. She will be needing to take those databases from the PSAPs or take copies of them for storage and for redistribution to surrounding PSAPs in other agencies and entities in the state of Nebraska. We need to enable those PSAPs or the vendors that work for those PSAPs, we need to enable them or give them the ability to maintain these data and upload and download it from the Nebraska Public Service Commission preferably in a digital method that doesn't require any paper or any postal communications. We want to be able to do it all across the Internet. I mentioned Kara will need the ability to quality control or apply some quality control methods to these data. She will need to track which data are complete, where the holes are, so she can know where to focus her efforts. Also, we need to -- ability to download and utilize these data. For example, a PSAP may not just dispatch to its county -- within its county boundaries. We have a number of examples where a PSAP covers maybe small pieces of a surrounding county. So, they will need to access this GIS data as three -- dates for that surrounding county's ESN area. So, this is what the main page looks like. There are three key things here. That is a system for Kara with the Public Service Commission to view the data and quite control the data. As a system for PSAPs and the PSAP vendors to

upload the GIS data, and as a system for the PSAPs and the vendors to download necessary GIS data. All this GIS data, it is very, very fancy kind of digital map. That is probably the simplest way to put it for those of you who aren't familiar with it. So, I think first we look at a data viewer. It is pretty simple stuff. What we have done is we have made all the complicated stuff invisible. That is really what we have done. We have given Kara in the Public Service Commission the ability to look at this GIS information, look at these data at the statewide level without the need to be a GIS technician without needing expensive GIS software which starts at about \$1,500 a copy, by the way, without having to store it on a computer. All you need is an Internet connection and a computer to be able to look at these data. So, you can see there in this demonstration, we have got Lancaster County and Butler County or Seward County -- Butler County loaded up there. Get my counties mixed up. That is the green area and if we zoom in a little tiny bit, it is kind of hard to see on these blinds, but they are actually just a yellow background. You can see some green lines. We have got a red line highlighted. We have got one of those three segments highlighted. We can see the addressing information that is necessary for these 911 systems to operate highlighted right there. So, Kara or

the Public Service Commission can move through the data for the entire state of Nebraska, look at information down at the street level, so, you can examine all of the PSAPs databases on this single page, on this single system. So, how do we get the stuff into it so Kara can look at it? Well, we have an upload system. So, the way the current system is laid out is each PSAP is going to be selecting a vendor, not only for purchasing the dispatch equipment and software, but also for their data management. So, it will be the PSAP and the PSAP's vendors responsibility to maintain the GIS center line data at the host site, at the PSAP. In other words, when a new street gets constructed, they have to enter that street into the database so that the dispatch map and system will function correctly if a 911 call originates from that street. Then, they need to communicate that information, that new GIS data, back to the central repository system. So, we have built this on-line upload system where the PSAP or the PSAP's lender can simply get on to his web page. There is a security system by the way that we are not showing you is a log in password system, so, not just anybody can get on and load stuff and download stuff. It is secured. They can get on there and load up. In this case, we are choosing to load up streets and line. There are about nine other what we call ancillary data

layers, railroad, hydrology. There is a handful of other data layers that I don't recall which will also be uploaded. So, they just simply specific on the local machine. Where the data is, they hit the submit button.

They have to specify some technical things about that particular data set. It makes no difference whether you are using a plant equipment system, a GEO COM system, a Positron system, a Contact 1 system. It makes no difference at all. It is built to work with all of the select vendors database systems. So, all of the selected vendors for the state of Nebraska, all of their databases will work with this on line management system.

They sort out that technical stuff about how the database is laid out, hit the button, and it just goes ahead and loads it from their local machine up on to the central server. Once it is uploaded, you can see -- also gets loaded -- Seward -- we just loaded Seward County. It is -- bit of green. If we zoomed in, we would see that street center line layer for Seward County. We just loaded Seward County. It is an extra bit of green in there. If we zoomed in, we would see that street -- layer for Seward County. Okay. So, we can upload the data. We can pan around. We can zoom in. We can look at it. We can query it. We could form some quads control. While now a PSAP may want to download some of these data for insertion into that

dispatch mapping system. For example, let us say Lancaster County signed some kind of agreement with, I don't know, Otoe County and they start dispatching to one of the ESNs on the border. They want to grab the street center line for -- did I just say Otoe, Cass, I don't recall, for Otoe County and load it into their dispatch mapping system so they can start processing 911 calls that originate from that ESN. So, there are two ways to download. You can either select a county or you can just select an area on the map. What we are showing you right now is selecting a county. You can see that.

We have got Butler and Lancaster, so, we want to download both Butler and Lancaster street center line. There is space for these other ancillary layers I have mentioned. Again, it will be things like hydrology and I don't know what all -- nine other layers that Kara has specified. You simply hit the download button and the data will download to your laptop or computer and there we are just showing you it zips -- compresses it so that it makes it a fast download, even for those folks that are on dial-up connections. It is still going to work pretty quickly, so, for folks that are way out west who don't have the Internet service that we have out here in the east part of the state. It will still work fairly swiftly. There, we have just shown you a shot of a desktop GIS system and we are showing you the two

counties that we just downloaded, Butler and Lancaster County, just on the GI system locally. Go back and -- if we want to do a region, and here we have just got a rectangular region. We are considering building a polygon region. In other words, if we want to zoom in on Lancaster and just kind of grab a little bit extra, maybe a two mile buffer into Otoe and Cass County, we can do that. One of the other things we can do is while we don't have it operational, you can load up a boundary file and say give me all the street center line for this particular boundary. So, if the GS technician or the dispatch technician at the PSAP has a particular area they want to download, we can give them the ability to say, okay, here is my boundary file. Give me all the stuff that is within this boundary, please. So, that is what we give them, that ability to do that. That is really it. As I said, what we have done is we have made the whole GIS data transfer, quality control, and management -- to the Public Service Commission. We have taken away the need for you to have trained GIS technicians on staff to manage what is going to be a very -- it is going to be a considerable amount of GIS data which is going to be moving backwards and forwards between the Public Service Commission, the vendors, and the PSAPs. We have made all of that GIS technology invisible and put it up in a web based format which is

very simple to use and we can train folks in five or 10 minutes on how to upload, view, and download data. Again, it does work. It is built to work with all of the major vendors that have been selected by the Public Service Commission. RFP process last year. Any questions? Yes, sir?

UNKNOWN: How big are your street line segments?

MR. TOOZE: In what way? In length?

UNKNOWN: How long --

MR. TOOZE: We don't control the length. It is how the vendor, the data vendor creates them. If they are created correctly to Kara's specifications, there will be intersection to intersection. So, if the intersection is one block, they are 100 feet wide, 100 feet long. If it is a mile section, they will be 5,180 or whatever length.

UNKNOWN: And, whose responsibility is it to make them -- valid?

MR. TOOZE: The vendors, the selected vendor.

UNKNOWN: -- the individual --

MR. TOOZE: The individual PSAP.

UNKNOWN: What if you don't have a vendor?

MR. TOOZE: There was a process last year --

UNKNOWN: What if we don't use a vendor? In other words, we do it ourselves.

MR. TOOZE: Then, you have to follow the -- standards to make them -- in compliance. The system won't allow you to upload something that is not -- compliance.

UNKNOWN: Well, that was one --

MR. TOOZE: Okay.

UNKNOWN: So, how would you prevent that? How are you checking for that?

MR. TOOZE: Do you want to flip back to that one slide?

UNKNOWN: I see the map, but I want us to get it down there to an address.

MR. TOOZE: I glossed over this slide, right here. This is where we have the vendor -- the person uploading the data has to specify their data to file which -- where all these components reside in their data file. This is -- compliant right here. So, if you do not specify, for example, street name, we are not going to let you upload. It is that simple.

UNKNOWN: So, in your -- that is what I was looking for in your example. In Lancaster County, where you were there, you can take me down to the street level?

MR. TOOZE: Yes, yes.

UNKNOWN: You can give me the house number?

MR. TOOZE: Not the house number because the

way the dispatch systems, the 911 GIS dispatch systems are working, they are working on a -- what we call a GEO coding system. We only put range information in. So, this is Range 1200 to 1298, and 1201 to 1299 if it is the 1200 block. We don't actually locate an individual property with a house number. The NINA standards don't call for a location of individual properties. They call for street signs to be built with range information.

UNKNOWN: But some of the -- do that --

MR. TOOZE: Sure, they -- yes, they may well do

--

UNKNOWN: I mean, when you play -- you know, we put ortho -- we put a lot of photos in there, a lot of layers and everything else. What are you building this? Are you building this in -- or is this --

MR. TOOZE: No, this is built in JAVA, and it is custom JAVA -- on the back end of some -- which is kind of like the big grand daddy version of -- that is kind of the easiest way to put it. It is kind of a very fancy version of -- that works on the Internet. It is all ES -- compliant which is all of which all of the vendors that have been selected are -- compliant. They were using -- technology. Does that sort of answer your question? We are going to be one of the vendors that is going to be loading stuff up into this, so, we are very aware of what the vendors and what the PSAPs themselves

are dealing with. We are very, very knowledgeable about the four main vendors, again -- GEO COM and Contact One.

We have met with them previously and understand their database layouts. So, if you are using one of those vendors systems, it is going to upload on to this system without any problem at all.

UNKNOWN: What about the vendors that might be out there that were not part of what was selected?

MR. TOOZE: Yes -- and -- are the two main ones. Again, most of the -- we did have a little issue with C.L., but they just for Christmas, they switched over to an -- right based system. So, now, all that we know of, all of them the -- and 911 dispatch vendors are utilizing the -- technology. So, we don't believe there is going to be an issue.

UNKNOWN: And, if they are not?

MR. TOOZE: If they are not, then, they can have a problem. They need to switch it into an -- format.

UNKNOWN: Print Track?

MR. TOOZE: Print Track is --

UNKNOWN: The DAM, they have a proprietary DAM.

MR. TOOZE: Yes, but they can export -- Print Track is used by Sarpy County if I remember rightly. They can export out to --

UNKNOWN: What you are asking is we have a

location that is a risk location, how deep can you go in to lay out overlays of maybe private roads, risk access, or --

UNKNOWN: Apartments are the ones that scare me to death when we get into this. I mean --

UNKNOWN: You can go pretty deep with that, with what access you have -- it can get pretty detailed.

You can even detail in where your fire extinguishers are inside the building.

MR. TOOZE: Remember, this system is built to allow Kara to manage what she is paying for, but is basically what it comes down to. Remember, she is not paying, for example, people to keep -- the locations of fire extinguishers. So, we are not going to give them the -- we are not going to give you the -- to load up the location of all your fire extinguishers on to the system because, frankly, nobody else cares about that, but that local PSAP.

UNKNOWN: You can bill it on your own for what details --

MR. TOOZE: Exactly. All of these vendors systems, you can put all sorts of wild and wonderful stuff down to -- you can put a lot of detail in these systems.

UNKNOWN: You can go down as far as the --

UNKNOWN: How much do you have now?

UNKNOWN: We have got everything all the way down to hydrants, all the way to -- it is GSM -- it can be exported into there, but the problem is in exporting them back into GSM. That is one of the bad things about proprietary --

UNKNOWN: I am not sure if mine is -- or not.

MR. TOOZE: Are you with GEO COM?

UNKNOWN: No.

MR. TOOZE: What -- is --

UNKNOWN: Location, technology -- is now a Microsoft --

MR. TOOZE: I will have to ask Kara and see if she knows exactly. She pulled the information on that.

UNKNOWN: And, the total purpose of this is to --

MR. TOOZE: Again, part of the -- process last year was to select or was to choose vendors which we are going to go out and build these databases to make these 911 dispatch systems function. So, we are going to have that -- I think the first lot were -- 43 PSAPs were selected. There are going to be 43 -- a minimum of 43 multiplied by nine. I am not going to do the math. How many hundreds of data layers were going to be created for those first 43 PSAPs. Kara required some kind of management system because she is not going to be -- she is not going to turn herself into a GIS expert. We had

to accept all of those data on CD, plow through those 300 or so CD ROMS and then redistribute those CD ROMs back out to the PSAPs. She wanted an on line management system to manage the data that she has specified in that RFP. So, that is exactly what this was built for, to manage those data, that part of that RFP -- been created as a part of an RFP.

UNKNOWN: So, basically, the only thing your system will do is not allow her to upload, if it doesn't have the right --

MR. TOOZE: Yes, that is one of the first things. If it is not -- compliant, it is just going to come back and say, sorry, you have got to make this compliant before we allow you to operate.

UNKNOWN: So, she really can't manage it. She just won't let her -- she can't go in and see what is wrong.

MR. TOOZE: No. She won't let you load something up that is wrong for this --

UNKNOWN: How does that give you the ability to manage? In other words, if I wanted to go back and say, okay, you are wrong because this is why you are wrong --

MR. TOOZE: Well, then, I would certainly hope that the PSAPs have some -- they have got to have some knowledge about how their -- are built. If they had a vendor that built it for them, there is going to be a

vendor there doing it for them. If they built it themselves, if they managed to build it, but they didn't know how to build it to -- standards, I am not --

UNKNOWN: That is not where your problem is going to exist. Your problem is going to be the upkeep of it when you add -- and, the vendors are long gone by that time.

MR. TOOZE: Okay.

UNKNOWN: So, you are going to ask the PSAP to be building maps because the vendors --

MR. TOOZE: Maintaining them, yes.

UNKNOWN: The vendors gone -- there is where a fallacy is going to be.

MR. TOOZE: The only way they are going to maintain it is to utilize a GI system like Off View. They are going to have to be trained on how to use it. I mean, I am guessing here. I am not in charge of that stuff. I am only in charge of the maintenance, but I am guessing that Kara has a plan in place which is going to train the PSAPs on how to utilize GIS or tell them to select a vendor to maintain the GIS for them.

UNKNOWN: When I did talk with Kara day before yesterday, she was indicating your demonstration was, gee whiz, this is something that we could use. It isn't necessarily right now she is going to go with this -- at this present point in time.

MR. TOOZE: That I don't know. We built this as a prototype for management -- centralized management of the data. This -- it gives at least some ability to make sure that things are being built correctly into some kind of standard. It doesn't mean she has to plow through like I said several hundred CD ROMS of GIS data. That is not her job. So, this is built towards to make that to some extent.

UNKNOWN: This is for the board here. This is just -- manage -- this is something we want to look at, but, like you said, there are issues -- is here, what are you going to do with it?

MR. TOOZE: You have a number of folks --

UNKNOWN: To me, it is still a PSAP responsibility.

MR. TOOZE: Yes. You have a number of folks that are very, very interested in these data, Health and Human Services, and we have worked on some projects with Health and Human Services, the Department of Roads. They all want this information. They all want these data. I am not going to get in the middle of whether the Public Service Commission wants to share these data with other state agencies. I don't know if you do or do not. Anyway, people want this stuff. It is very, very valuable. This again gives the Public Service Commission an easy way to redistribute those data out

to, say, other state agencies rather than burning copies of several hundred CD ROMS.

UNKNOWN: Generate income.

MR. TOOZE: Well, you need to be a little bit careful there. You need to look at LB 528 from about 2001 which says digital data, can't charge for it.

UNKNOWN: This may enter into -- selection that -- issues that was addressed was that vendors would make themselves available for an extended period of time to assist the training issues -- issue that would crop up after the system went in. Some of those were five to eight years.

MR. TOOZE: I believe it is five years. I remember -- I had to price five years. So, separate from the --

UNKNOWN: -- the responsibility of the PSAP to make sure that they get somebody trained to create some longevity and train the trainer, so to speak, so that they can continue to have --

MR. TOOZE: I believe that is absolutely correct.

UNKNOWN: Any other questions of Mr. Tooze? Thank you.

MR. TOOZE: Thank you. I will leave a card with -- I guess you are acting secretary today. If you have any other questions or concerns, just send me an e-

mail or give me a call. Thank you for your time.

UNKNOWN: At this point in the agenda, do we have any item for nomination of -- vice chair for the wireless 911 advisory.

GINNY: I have a recommendation --

UNKNOWN: I guess what we are -- I think what the motion has to say is that Kevin Herbert has -- in a very --

GINNY: (not understandable)

UNKNOWN: Any other nominations? I would -- and we would unanimously elect Kevin and Barry for their respective positions. All those signify by saying aye. All those opposed? Motion carries. Kevin, you are in charge. I do thank you for taking over.

KEVIN: Well, the next agenda item is a consideration of approving the minutes of the last meeting.

MS. MELTON: Those have all been distributed -- had a copy. Do you want to look through those and see if there are any changes, corrections, critiques?

KEVIN: I will move approval of the minutes of the last meeting.

(Minutes were approved)

UNKNOWN: Review the advisory board meeting date for the next year.

MS. MELTON: We have in the last grist meeting

set the dates for June 7, September 12, and October 24 at 1:30. They are always here. Those are the dates.

(Discussion on dates)

UNKNOWN: They are set for what dates now?

MS. MELTON: June 7, September 12, and October 24.

COMR. VAP: Well, at your June meeting, you will know what kind of surcharge you are going to have, if any change.

UNKNOWN: I agree that if we take one on the road, I feel it either should be a September or the October and not the June.

UNKNOWN: I guess the next question I have is these dates, are they all Fridays?

MS. MELTON: No. They are throughout the week. Mondays and Tuesdays, I believe. Some of those dates may need to be moved if you want to take it on the road, if you want staff to attend because the Tuesdays are our grist, normal grist meetings. So, there may be -- needs to be some adjustment if you decide to have one in a different location if you want Commission staff to be available because we would have to be here for the grist --

COMR. VAP: And, that is a matter of saying we are going to have it on another date and another place. Then, you have to give notice of where that meeting is

going to be -- okay with Mondays or Tuesdays.

UNKNOWN: Yes, I always liked Fridays because it is typically a long time to get here. When you drive it, it is driving one day, leaving one day, driving back, so, it is three days out of the week. So, it is not that big a deal.

UNKNOWN: What about the 1:30? Is there any -- I am just asking. Is there anybody that has a problem with the 1:30 start time? Would you sooner have a 9:00 start time?

MS. MELTON: We can't do a 9:00 on -- if it is on a Tuesday because we have our weekly meeting here at the Commission. So, it would be difficult to have that. We generally don't schedule any -- if you are doing it here, any advisory board meetings during that time.

UNKNOWN: Why are we scheduling them that far ahead anyway? Why don't we --

MS. MELTON: Because Kara is going to be out.

UNKNOWN: Oh, okay.

MS. MELTON: That is one of the things that she wanted to take care of and set some dates.

UNKNOWN: Is the June 7 a Tuesday?

MS. MELTON: I think so, yes.

UNKNOWN: You have got everything going that is important, the Legislature and everything else. You are basically going to -- on the shelf during this critical

time, going all the way to June.

UNKNOWN: We can set the dates, but -- going to change them anyway.

UNKNOWN: I mean, I am looking at everything you have got facing you right now. On the other side of that, what I am getting at here is, this June meeting. There could be lots of work at the June meeting. Is the 1:30 start time going to give us enough time in the day to cover that?

UNKNOWN: What would be the problem on June 6 and doing it on a Monday and doing that? Just throwing it out.

(inaudible)

MS. MELTON: I don't think it is reasonable notice. It is kind of fuzzy, so, we -- it is basically --

MS. RAFFETY: We do have to publish notice of these meetings in the Daily Record. I can't remember if it is three days, four days, if longer for --

MS. MELTON: I think if we are going to change it, we probably ought to make sure by the end of April, the beginning of May.

UNKNOWN: That is my only suggestion. Instead of --

MS. RAFFETY: I think this is also something that as we get closer to that time, if there are

situations that are occurring, it can be changed. I mean, it is just a matter of running it through grist and publishing it.

UNKNOWN: Just like today's meeting, we made it an all day meeting because we have got a lot to talk about, so, we can make the changes then.

MS. MELTON: I am not sure of the dates right now. She is out right now and I don't know how long that is going to continue. She is planning on being back by March 7, and we can talk to her about what her plans are then.

UNKNOWN: Any other review of the legislative activity?

MS. MELTON: I think we have pretty much covered that unless somebody has questions.

UNKNOWN: Do we know when this whole process is slated to go forward? Is that still just totally up in the air?

COMR. VAP: Angela and I are meeting with Senator Baker and staff Monday morning at 8:30. So, I am leaving this afternoon, coming back Sunday, so, be here fore that. It is a matter of if we can get some of those questions answered to the satisfaction of some of the committee members. We don't need 100% approval of all the committee members to move it out of committee, but we have got seven members I think on that committee.

You are going to need for sure four, and it would be better to have five people. Senator Brown from Omaha, Pam Brown, and she is one of those that is asking a lot of questions. Senator Mike Foley from Lincoln, and he is one that is asking a lot of questions. Dwight Pedersen is also asking some questions. Adrian Smith from Scottsbluff is one of the -- not necessarily. I think he wants to see something done, but it is a matter of how much. Tom Baker, of course, is the chair. Who am I missing here -- from Trenton, Nebraska, which is right close to McCook. I have got it in my office.

UNKNOWN: That must be the five you are picking --

COMR. VAP: I am not sure we can get a yes out of some of those.

MS. MELTON: Joan, why don't we go ahead and call Bob BROWER? He needs to be on the phone for the next agenda item.

COMR. VAP: Senator Ray Aguilar from Grand Island is also on that committee as well as Senator Carol Hutchins.

MS. RAFFETY: Bob, this is Joan at the Public Service Commission.

MR. BROWER: Yes.

MS. RAFFETY: We are in the Wireless 911 Advisory Board Meeting, and about ready to discuss your

funding request.

MR. BROWER: Have we got -- on the line, too?

MS. RAFFETY: No, we don't.

MR. BROWER: Okay.

COMR. VAP: So, we will be working with the senator on Monday to see what we can do to get something moved out of there. But I don't have much hope for the full dollar.

UNKNOWN: Will we be notified of what is going on or advised if we need to contact senators for support at a certain point?

COMR. VAP: If we have that sense Monday morning, we will e-mail you.

UNKNOWN: Or even, you know, a week so we know when it is coming out of the committee or what or --

MS. MELTON: You can also check this on the web site, too, if you want to monitor on your own.

COMR. VAP: Once it gets out of committee, I think you may want to be contacting whoever represents you for sure.

UNKNOWN: That is what I was getting at.

COMR. VAP: The sense I have had of most of the body over there this year is that if anything even smells like an increase in a surcharge or a tax, they are not really very thrilled about it. I think they had 10 or 15 bills in the Revenue Committee and they have

killed about every one of them in committee.

UNKNOWN: Okay. Anything else for review of legislative activity? We will move on to the next one which is review the consideration of funding for Scottsbluff.

UNKNOWN: Inasmuch as my dual capacity as representing the wireless industry as well as being the chairman of the county board of commissioners in Scotts Bluff County and this being their application, I would request that I could refuse myself from both conversation and voting on this particular issue.

UNKNOWN: I understand that and I think we would accept that.

UNKNOWN: Bob, do you want to talk to us a little bit about this?

MR. BROWER: Well, one -- Phase 1 -- it doesn't have any Phase 2 -- feels redoing our mapping, GEO COM mapping that we have. When we went Phase 1, we kind of -- I guess the best way I can put this -- used to be able to pinpoint a real address or wireline address when a call came in -- on -- mapping. Since we went Phase 1, we have lost that ability. Still pinpoints, but -- the county -- show the - hearings somewhere. So, we are trying to get that, I guess -- is how they describe in GEO COM. Get that -- and upgraded so it will be what -- do what we needed to do, or I guess based on what it was

doing prior to putting the Phase 1 in.

UNKNOWN: Okay.

MR. BROWER: I don't know if -- did Kara supply you with the cost, the GEO COM --

UNKNOWN: It looks like the cost of \$8,825.

MR. BROWER: That sounds pretty close, yes.

UNKNOWN: We have that paper in front of us.

MR. BROWER: Okay. I am kind of working from home here today, so, I didn't have any of that material in front of me.

UNKNOWN: Does anybody have any questions?

MR. MCLAUGHLIN: This is Gary McLaughlin. Can you review kind of the scenario of how this -- we got this situation? I am reading through the e-mails, but just for our benefit.

MR. BROWER: Sure. We had -- a GEO COM mapping system is basically what we have now, GEO COM mapping. It was set up to, of course, pinpoint especially the rural areas where we have so many -- in, through our 911 system when we got a call, of course, it would pinpoint exactly where that wireline -- not wireless, but wireline call was coming from. When we went wireless, Phase 1, and we turned up ALLTEL and at Indigo, that data for some reason after we had put the -- expanded the fields of what it was in our 911 to accept those calls, affected the mapping side where it does not

properly identify where that wireline call was coming from any more as a result of installing Phase 1. Did that help that, Gary, or -- okay.

MS. VANCE: Bob, this is Ginny Vance.

MR. BROWER: Okay.

MS. VANCE: I am just going to be a double advocate here, and I am going to question you about Phase 1 and wireline. I know you already had a mapping system in place for your wireline, but mapping is not required for wireless Phase 1.

MR. BROWER: Okay.

MS. VANCE: And, I think that is the issue that we kind of need to talk about because the mapping is not a requirement for Phase 1. We know it is definitely a requirement for Phase 2 to actually -- the XYZ. Now, you went ahead and had your mapping in place which a lot of counties did but it was not a requirement for you to have that.

MR. BROWER: Correct.

MS. VANCE: I just want to make sure that we all -- that we know that.

MR. BROWER: Yes, I understand. That is a requirement on it. We are going -- some mapping -- for counties that do not have it.

KEVIN: This is Kevin. What you said was is that prior to Phase 1, your map was working fine.

MR. BROWER: That is correct.

KEVIN: After Phase 1 is when you developed the problem.

MR. BROWER: That is correct.

KEVIN: Okay.

MARK: Bob, this Mark. Question on a couple of things. This really is an interface. This sounds to me -- this is an interface thing between the way the data is being -- when you did start getting Phase 1, they opened up different -- fields to come to you with Phase 1 data. Your map is not accepting those new fields. Is that correct?

MR. BROWER: That is correct.

MARK: I mean, that is what is really wrong. So, this should be -- the reason I am going to try to get to this is I want to see how the vendors are really treating you because this should be a simple thing where you call the vendor and ask them to come back in and interface correctly from the way the new data is coming in so that your map handles it. This should be something real simple. If we are asking GEO COM to be one of the vendors throughout the state, you know, one of the questions I asked earlier was how long are these vendors -- are these vendors just going to implement something and walk away from you? They did that, didn't they?

MR. BROWER: Well, see, we -- I guess this doesn't -- just with the wireless side, but kind of describing the vendors. This system that we put in was supposed to be in less than three months. It took us almost eight months to get that system in by the time we fought the -- with the vendor back and forth on some different issues. By the time we put that in, I was so frustrated that we did not sign and make this agreement with them. Basically, at that point in time, I was ready to throw the whole thing out the window just for the problems we had fighting with their data people trying to say basically our address rates that we had out here which was -- had a lot of work on it. They said that it wasn't adequate, and it wasn't sufficient.

So, we have had some issues with the vendor. Of course, now, that we have to do this, they are saying, well, it is \$200 bucks an hour to come back in and straighten out the fields that we put in there.

UNKNOWN: Was there any indication -- I hope I didn't miss anything you were saying. I was trying to think outside the box a little bit. Was there any indication by GEO COM -- links. Is that what you are talking about?

MR. BROWER: GEO COM.

UNKNOWN: GEO COM. That there may be some problems arise with this installation.

MR. BROWER: I don't recall any -- say they were getting problems with the installation at all -- about three months from the upper -- nobody mentioned that -- Phase 1 that we would end up -- as a problem -- have to have -- whatever it is --

UNKNOWN: Did they honor any time frame as to what they would come back and correct any problems that were directly involved with this?

MR. BROWER: No.

UNKNOWN: So, basically, you are saying that Phase 1 caused this problem.

MR. BROWER: Based on --

UNKNOWN: The fact that you went to Phase 1, it caused this problem, and that you are going to have to try and correct this from Phase 1.

MR. BROWER: Right.

UNKNOWN: I would question you are trying to upgrade your licenses at this particular moment in time. Software, your maintenance. You didn't buy maintenance when you initially bought this, did you?

MR. BROWER: No, we didn't.

UNKNOWN: And, now, you are going to try to buy maintenance again.

MR. BROWER: Well, what we are going to try to do is just get things straightened out. On the maintenance side of it, I am not really sure because,

like I said, I haven't been satisfied with the system. I might have to see what would happen if it was approved. They -- the software, they fixed it, and I would have to see how things go before I would consider doing the maintenance --

UNKNOWN: But your number two item is annual software support and upgrades which, in my mind, that is a maintenance issue.

MR. BROWER: That is not what they put down there, Mark. I didn't see that. The only thing I have added from them is just basically what it would be -- monthly per hour to do that stuff. That is the only contact I have had with -- GEO COM on that.

UNKNOWN: Yes, but he is talking about --

MR. BROWER: So, I never did see an exact figure on what exactly he had plugged in there. I apologize for that --

UNKNOWN: I think what we are wanting to do here -- precisely address the issue of the problem in not -- go into upgrading the licenses and other things that are in maintenance --

MR. BROWN: My name is Ike Brown. It occurs to me, I guess, to put it bluntly, that if GEO COM came in to put in mapping and said it was going to -- or put in Phase 1 and said it was going to blend with your old mapping system and they screwed up your mapping system,

they should fix it. I don't see that it is an issue for --

MR. BROWER: The mapping was already in place prior to Phase 1.

UNKNOWN: Phase 1 screwed it.

MR. BROWER: It was as result of -- when we put Phase 1 -- implemented Phase 1 that we ended up with a problem.

UNKNOWN: And, GEO COM didn't have anything to do with Phase 1 coming in. It is an after-effect because after the two phone companies did their testing, that is when it didn't work.

MR. BROWER: Correct. When we turned up and while the fields and stuff for the seller -- the towers come in, and that is when we started having our problems.

UNKNOWN: So, now, the format needs to be redone.

MR. BROWER: Correct.

KEVIN: I know exactly where you are at. My only question is, and this is Kevin, my only question is back to what you said. I really question whether Number 2 is worded right or is it -- are we paying for support when you don't have support?

MR. BROWER: Well, that is why I don't understand -- like I said, I didn't see anything --

KEVIN: Or is that an hourly charge for them to get there because Number 2, I could see how that would come off of a computer -- hit Number 2 for labor and it -- some support.

MS. MELTON: I suggest looking at the e-mail. It explains some of that. That one is from --

UNKNOWN: Stacy?

MS. MELTON: Yes.

UNKNOWN: Did you intend to buy upgrades from -- you are two versions behind where they are at now? Are you on Version 4 right now?

MR. BROWER: Yes. This -- let us see. Where are we at -- three, almost four years old. So, what it was four years ago -- three years ago.

MARK: All right.

MR. BROWER: It is probably -- I am not at the office, so, I can't --

MARK: Well, it looks like you are in Version 4.

MR. BROWER: Okay.

MARK: They should be able to fix that interface without having to upgrade you. I mean, just to get by until you have to make the move.

MR. BROWER: Well, that is what they initially told us, and they initially told me that basically -- I don't know -- I talked to one of gals out there. Said

they could do that remotely by phone. Probably take anywhere from two to three hours and about -- told me somewhere in the area of -- maybe \$200 an hour.

MARK: Okay. That would solve your problem caused by Phase 1. Right?

MR. BROWER: That would resolve the issue right now that I have.

MARK: So, have you seen this map data requirements, the upgrade installed training. You know, you are going from two license to three license, your software maintenance, your map data analysis service and report. In other words, you are talking about -- they could probably dial in and do this for under \$1,000, which I think -- because it was caused by Phase 1, that is logical, but I mean, we have got a bill here for \$8,825 to move you two versions.

MR. BROWER: Yes.

MARK: Give you software maintenance, and analyze your map data. Is that what you asked for?

MR. BROWER: No. I just asked what it would take to basically redo the -- you know, update the system, and -- well, not update it, but I mean fix the problem that we have currently.

MARK: You are asking to get your problem fixed.

MR. BROWER: Right.

MARK: That is all you are asking.

MR. BROWER: That is really all I really want is just to fix the issue that we have right now, and, as far as software versions, we are talking -- upgrading. I will worry about that later on down the line because we are not going to see Phase 2 for a while to start with. We all know that.

UNKNOWN: Just a remote fix.

MR. BROWER: Yes.

UNKNOWN: And, Stacy came back in with, well, we want to upgrade the two versions. We want to pay for maintenance.

(Not understandable)

UNKNOWN: This is the kind of stuff I am worried about as we go into Phase 2 where the vendors are just going to drop you a system and then walk. That is what they have done here. So, I am looking at expenses.

MS. MELTON: Whose mapping system, Bob, do you have currently or did before Phase 1?

MR. BROWER: GEO COM.

MS. MELTON: GEO COM, okay.

UNKNOWN: Did you have the GEO COM mapping or did you have a separate mapping system?

MR. BROWER: No. It is a -- the only mapping

system we have had is GEO COM.

UNKNOWN: It is? Okay.

UNKNOWN: So, their system is not compatible with the older system that you had. So, they are wanting to update the system to -- to Phase 2 level to have the Commission pay for the updates and licenses and everything else.

MR. BROWER: Okay -- go to a Phase 2 or Phase 2 level --

UNKNOWN: When they originally sold it to you, they should -- did they represent to you that they could handle Phase 1 when you got there? GEO COM has been around that long, and I know they were at the Phase 1. Did they represent that you could handle Phase 1 when they sold you your map?

MR. BROWER: They may have, Mark. It has been so long ago. If I said yes, I wouldn't be able to tell you that for a fact because I just don't remember.

UNKNOWN: Do you have any documentation of the install requirements when Level 4 went in? Do you know how far -- were you there?

UNKNOWN: Version 4 --

UNKNOWN: Version 4?

MR. BROWER: Version 4 was the initial install.

UNKNOWN: Right.

UNKNOWN: Do you have any documentation as to

what the agreement was when they installed that or what it would be compatible with or anything?

MR. BROWER: I don't know if we have anything as far as what would be compatible with -- I know that we have -- on the agreement that we signed with them for the --

UNKNOWN: Of course, at that time, you probably didn't foresee the levels of where you have to go with this either.

MR. BROWER: Right. Phase 1, four years ago, you are all of a sudden going, oh gosh, it would be nice to have and one of these days maybe we will see it.

UNKNOWN: Well, but when they were selling back then, Phase 1 was a reality throughout the country.

MR. BROWER: Right.

UNKNOWN: So, they should have been able to handle Phase 1 data when they sold it to you. That is my point.

MR. BROWER: I would assume they should be, yes.

UNKNOWN: I mean, I would like to see you get support to fix your map if they dial in remotely and be responsible -- the Commission would be responsible for that repair. I mean, this board would be -- that would be a legitimate expense. You are still going to have to address it later on.

MR. BROWER: Right.

UNKNOWN: I think we need to regroup here. Do we have enough discussion that we have --

UNKNOWN: I guess from my standpoint, I think our discussion is pretty much there. I still in the back of my mind whether -- I really think the question needs to be asked by him rather than by us, but I think the question needs to be asked is, when he called in and talked about the remote to fix it for the two hours at \$200 an hour, was he told the correct information or was he not? I can see where that may not be correct. I think you need to get to the bottom of that. If that can be done, then, go that direction and get this off the table. But then on the same token, you are told that they can't do it that way. The only way you are going to get it fixed is this way, then, it is a different story.

MR. BROWER: Right.

UNKNOWN: But we have got two conflicting stories here. So, I would think that -- I almost think it needs to be you to get ahold of Stacy and ask him that question. Can this be fixed over -- by a remote link and the two hours like what you were told at one point by someone.

MR. BROWER: Without the expense of having to upgrade the software.

UNKNOWN: Right.

MR. BROWER: Right. I agree.

UNKNOWN: Should we postpone or table this --

UNKNOWN: I would table this until he gets back to Kara one more time.

MR. BROWER: That sounds good.

UNKNOWN: Unless you find something out within the next hour and a half, give us a call back.

MR. BROWER: Okay. Like I said, I don't have -- exhibit right here, so, I probably won't be able to -- this tabled for now until I get back to Kara, and have the documentation there in my office and talk to Stacy directly.

UNKNOWN: Okay.

MR. BROWER: That would be satisfactory for me.

UNKNOWN: Thank you.

(Motion was made and the subject tabled)

UNKNOWN: The next item is the discussion of a recommendation on Phase 2 plans.

MS. MELTON: We have got a power point to go through. This is the information that staff has provided the senators summarizing the information gathered through the RSP, information gathered just by Kara through phone calls and e-mails trying to estimate the cost. These maps are ones that Kara has presented to you all before but she thought that they would be

helpful for you to see again if you want to make a recommendation about which way to maybe go. This is the Phase 2 roll-out based on major roadways, the first round being the blue basically following I-80, yellow being the second round and so forth.

COMR. VAP: Is this based on the \$1.50 surcharge or the --

MS. MELTON: This is just timing. This is not -- I mean, this is just the order. It doesn't talk about how long, when they would go. This is the Phase 2 rollout based on those carriers that have stated they would not seek any cost recovery. The blue is the second round on this one. Red is the first round. That is Sprint, Nextel and T-Mobile.

UNKNOWN: This is an option or this is --

MS. MELTON: These are options, yes. These are all just different ways to maybe think about rolling this thing out on how you would choose who would go first, who would go second.

UNKNOWN: I guess a question here. As we are going through these, are we going to be trying to decide which way we want to go today? Is that our objective here?

MS. MELTON: You can. I mean, your objective is sort of up to you. If you are prepared to make some kind of recommendation today, you can certainly do that.

We have looked at this before.

UNKNOWN: I have a question on this one.

GARY: Looking at my area there, beings Western Wireless is being purchased by ALLTEL, that should change, shouldn't it, the blue, as far as the cost? There would only be one cost instead of two costs. Correct?

UNKNOWN: Well, I would think -- in the short term --

MS. MELTON: That would still necessarily be second. These -- you are putting those that have said there would be no cost recovery.

UNKNOWN: I understand that, but what I was getting at is that ALLTEL and Western Wireless, there wouldn't be two. There would only be one there is what I am saying because ALLTEL has purchased Western Wireless. There is a chance, and I am not saying it would be, but there would be a chance that there would be half as much cost to a point.

UNKNOWN: It probably wouldn't be half. Would probably have some less cost. You have got the customer base which would be twice as -- eventually, as they merge to one system, you would have that economy, but I don't know how fast that would happen.

UNKNOWN: I need to review something but I can't remember -- what were the wireless carriers that

were not seeking cost recovery? I knew Sprint was one.

MS. MELTON: Nextel and T-Mobile.

UNKNOWN: So, that is definitely that way.

UNKNOWN: Can I ask a question? What does these combining -- what does this buyout mean in relation to 911 in relation to networks? I mean, we have had -- I have gone through quite a few of them and I see Singular. We never had Singular in Omaha, but then we had AT&T. Singular has bought out AT&T and now you look at the phone, and you look at everything and it says Singular. So, if the customers are paying the money to Singular, if everybody is paying the thing to Singular, how can -- when is the buyout? When is it a single company that we are dealing with? You are alluding to the fact that, oh, yes, even though we bought them out, there is still -- you are inclined that there still might be two infrastructures in there, two different mobile switches, to different anything else. I am saying wait a minute. If the customer is only -- you know, if there is only one customer, there is only one service. Then, how could we -- public safety, I am not saying public safety. Are we getting penalized? We would have to -- the costs that are associated -- even Phase 1 costs that are associated with lines to the switches, two different switches and everything else. So, I guess my question in trying to understand this is

where do those -- where do we quit paying for two infrastructures? In reality, we are paying for two infrastructures. Is that a fair question?

COMR. VAP: At one time, wasn't AT&T going to triangulate?

UNKNOWN: Well, I am looking at the infrastructure -- trying to understand that.

COMR. VAP: But, then, you have Singular. What are they doing? Are they going GPS? They are still AT&T switches --

UNKNOWN: But if you look at the phone and who you pay your bills and everything else, it says Singular.

UNKNOWN: But they have not changed. Their mobile switches are the same. The key is, I think, is their business -- of how they consolidate the wireline carriers. The business -- may not be that they are going to overlay their switches yet. To give you an example, Qwest has overlaid -- this is Quest Wireless and overlaid with this -- cell towers in their mobile switches. We got rid of basically our core switches and our cell. But that is our choice. Another carrier might be doing something else depending on their business plans.

UNKNOWN: But their business plan affects what you have to pay.

UNKNOWN: But until they come to us -- in the rules and order is when they do make infrastructure changes, that carrier is responsible to come to us with their business plan. They have not done this yet.

UNKNOWN: I think there is two issues. I think ALLTEL is petitioning the FCC right now because we are purchasing the complimentary license for this whole cellular 800 spectrum. Whether or not we get to keep the Nebraska piece where we overlap I think is an issue -- so, it could be that maybe we will have to invest that P7 so we wouldn't address the second issue. Somebody else might -- to Nebraska part of Western Wireless. If we do get to keep it, and we simply absorb it, then, we get to the issue of how fast can you migrate your customer base over to our database. The hardware and all of that, you know, and practically speaking, it is going to take a period of time, a year or so probably, to do that, the hardware piece --

UNKNOWN: Western Wireless in the central part of Nebraska, is that a CDMA system?

UNKNOWN: I don't know.

UNKNOWN: They would be the same -- I think they are --

UNKNOWN: -- the same as what ALLTEL is using. So, the transposition of those -- all Western Wireless customers to an ALLTEL --

UNKNOWN: It shouldn't take -- we are doing overlays where they have TDMA and other technologies. Like we picked up the Singular stuff and --

UNKNOWN: Singular stuff -- Singular is going all GSM -- when they take over AT&T, AT&T is mostly TDMA -- there is some CDMA, but it is mostly TDMA. Singular's business plan -- because I was down in the meeting in Atlanta here a month or two ago. Their plan is obviously to take over all of what AT&T has and turn it into GSF.

UNKNOWN: So, they will take their current mobile switches and operate --

UNKNOWN: No, they will take their current mobile switch, so the TDMA switches are going to go away. That is the difference between Western Wireless and the ALLTEL merger is because they are both CDMA systems.

UNKNOWN: So, the CDMA should go more quickly in places where we have picked up TDMA systems, we have to overlay, migrate their customers one at a time or whatever from TDMA phones as they get rid of them, the CDMA phones. So, the customer issue becomes more protracted. You know, you are not going to move them that fast to one system.

UNKNOWN: I guess there is some question about that, too, because as we talk about competition with

ALLTEL taking over both A and B sides. Now, there is no more competition in Nebraska. ALLTEL just goes in and charges whatever they want because there will be no more competition.

UNKNOWN: That is an FCC issue. I think that is being --

UNKNOWN: Well, my reason for asking that is these mergers take place and everything else. Is there going to be, since you are on this board, is there going to be an impact on monthly recurring costs as these mergers take place because I am assuming that some of the infrastructures, you know, where we were paying for two infrastructures and everything else.

UNKNOWN: I think it is a fair question -- should ask --

UNKNOWN: These monthly recurring costs, you know, I don't think they should be sacrosanct as we try to move forward. I think we heard today the mandate that we need to probably re-look at a lot of things.

UNKNOWN: Well, the reason you do a merger is for economy. This is one area -- well, where is the economy here? So, as a forward, you can legitimately ask that question and expect that there is going to be some -- at some point --

MS. MELTON: What other sites do you have? This is based on lowest cost, based on the figures that

we have right now blue being the first round, see contracts I-80, yellow being the second round, orange being third and then after that. The next one. This is based on, I believe, timing for Phase 1, those who went Phase 1 first and got that completed first. Following that, blue would be first round, yellow second round, and orange third round. This is based on population. The first round is blue, yellow second round, broken down 20,000 plus on the first round, 12,000 plus on the second round, 7,000 plus on orange. That is it.

UNKNOWN: Go back to the least cost one.

I remember we were kind of looking -- we spent a lot of time on this least cost one all over the -- because we were looking at the least cost versus no cost --

UNKNOWN: That isn't the one I have got a question on. It was the one before that.

UNKNOWN: I just wanted to look at these one more time with the least cost.

MS. MELTON: Which one do you want to go to?

UNKNOWN: Least cost first, and then Kevin wanted to look at the one --

MS. MELTON: There is the least cost.

UNKNOWN: What was the one called before that?

MS. MELTON: No cost.

UNKNOWN: No cost.

MS. MELTON: Recovery.

UNKNOWN: No cost.

MS. MELTON: So, naturally, that blue is going to overlap some of the green and --

UNKNOWN: Okay. So, let us go back to the no cost. Okay. With this one in mind, I am just going to pick on one area seeing as how we are sitting in that area right now. You have got Lancaster County and Gage County over there in the red. Right?

MS. MELTON: Yes. I am looking at the same map you are.

UNKNOWN: So, would we be saying that on this one, we are only going to turn on Sprint, Nextel, and T-Mobile and we would not turn on Phase 2 for ALLTEL?

MS. MELTON: I don't know that she considered doing ALLTEL at that same time. I would imagine she would do it county-wide, but I don't think she could because she would focus on those ones that are no cost and do those.

UNKNOWN: Then, we had better go back to the least cost.

UNKNOWN: Yes, because we really concentrated on the least cost. That first one is not right. I remember this least cost because I recall also included the no charge carriers which was Sprint, Nextel, and C-Mobile.

UNKNOWN: So, this includes every carrier.

UNKNOWN: Yes, this includes every carrier least cost including a no-charge for a lot of folks.

UNKNOWN: All of them blues -- I know the interstate is covered, but the blues up above the interstate has 911 -- none of them are part of the seven counties, are they?

UNKNOWN: If I were to count North Platte.

UNKNOWN: I don't see how the difference is from green and orange down there by -- any idea why that would be? Why would Saline be orange? I am trying to -
- in Fillmore County.

(several talking at once)

UNKNOWN: I was just trying to compare the difference between Saline County and Jefferson to see what the difference really is. Fillmore is there. Now, is this on least cost?

UNKNOWN: Yes.

UNKNOWN: Okay.

UNKNOWN: This one actually is population --

(several talking at once)

MS. MELTON: This has the cost in it, so, that may be helpful to you. (Scrolling through charts)

(several talking at once)

UNKNOWN: Because they had Jefferson lower on the step.

UNKNOWN: Is this on North --

MS. MELTON: This is least cost rollout.

UNKNOWN: And, that map shows least cost the other way.

UNKNOWN: What is the least cost of -- I mean, of all the counties at the bottom?

MS. MELTON: Cass.

UNKNOWN: Cass.

UNKNOWN: What determines least cost?

UNKNOWN: The least cost of -- what they need on all costs combined of what they need to do, forward to Phase 2. Like there is all kinds of -- makes up the type that she put in.

UNKNOWN: So, the only difference between Cass County and Douglas County is population and not have --

UNKNOWN: I don't know -- let us look at -- I don't remember the chart --

MS. MELTON: Do you want to go back to the --

UNKNOWN: Yes -- except wireless carriers -- so, I mean, you have got some huge wireless carriers that want to -- so, what do you -- do you overlay all at once on the carriers or do you go for the no charge? On a Douglas County -- I think it is -- wireless carriers -
-

MS. MELTON: It is right here at 41.

UNKNOWN: Now, you yourself don't have -- there is no cost to you, but the wireless carriers, you can go

back and go back in the chart -- some left and you can see where those fees are incurred. I don't know --

MS. MELTON: Wireless carriers --

UNKNOWN: Actually, it is the wireless companies that are -- triangulation, the network -- Horizon or AT&T, yes, those two that are going network based, on triangulation, other than --

UNKNOWN: Who is buying out -- no, Horizon is getting ready to buy out --

UNKNOWN: No, that is not the wireless.

UNKNOWN: I think Horizon is going to end up buying Sprint and Nextel.

UNKNOWN: Oh, you mean the carriers? I think at the board, we do need to move forth for the plan.

UNKNOWN: I agree with you, and even by picking the plan today and moving forward, at least we are on the agenda item to move forward, but obviously, that plan could change at the -- if you come back with two bucks.

UNKNOWN: But, then, not unless we move forth with the carriers that are no cost.

UNKNOWN: It seems to me -- I mean, the best way to serve the population as a whole, the state as a whole, may be to move forward with the least cost or a least cost basis because we are going to get to more people faster and provide them the service. Some of us,

where we are at, may be --

UNKNOWN: Now, let us make sure. You are saying least cost, not no cost.

UNKNOWN: I think so.

MS. MELTON: And, you all should be reminded that these were all done based on estimates. So, those amounts are going to change so it doesn't mean that this is exactly the way it is going to be. So, this is a representation based on estimates.

UNKNOWN: I agree.

UNKNOWN: That is what I was getting at because I think -- I understand what Gary was saying in the ALLTEL Western Wireless. There are a lot of questions that have to be addressed. Are they going to run it as two companies or are they going to run it as two frequencies? If they would run it as one frequency -- I could see where those costs would probably go down. Depending on what their rollout is, and what they do, it may not. But I agree with you. I would have a problem going no cost first, and taking a county and saying you are only going to get Phase 2 on two cell phone companies and not having the whole county up on Phase 2. If you are going to turn a county on, let us turn a county on.

COMR. VAP: You can't have Douglas County going in there and -- say that you have three companies that

are going to -- we are going to turn up, and the other 20 are going to go by the wayside.

UNKNOWN: Right.

UNKNOWN: No, if you asked me last year what I would have thought, I would have thought that Douglas and Sarpy County needed Phase 2, the least. We live in an urban environment. It is very difficult for somebody not to look up and know that they are at the corner of Walk and Don't Walk. I mean, we are going to get it -- when we start coming over to see the fact that you are -- once we get an apartment, I mean, I am not anxious to get to Phase 2 because of what is coming. I mean, it really is going to be bad. We are going to be tearing down apartments. We are going to be paying lawsuits. We are going to do -- there are all kinds of things that is going to come up on this. In my mind, 99% of my calls will not be needed for Phase 2. Maybe 99.9%. I might only need to go out and get that on demand on a short period of time. I know we pay a lot. There is a lot of things -- let me tell you. When the news media came down on us and when -- I mean, prime time stayed all day in there, just to understand the whole process. I didn't have a problem. It wasn't my decision that we got into this mess. Even if you do implement, how much are you going to -- if we turn those people on, what kind of impact are we going to get? What kind of

penetration are we going to get into the market? Okay.

How many people have those kind of phones and what they don't? The majority of them is ALLTEL and --

UNKNOWN: I am going to give you an example of what the market is talking about because I work in Iowa also with their -- on deployment. They are probably about -- percent right now, Phase 2. Right now, and this is -- taken from -- we started probably -- Iowa. We started turning up over there in about September or October time frame. Consistently, in the first month, we only probably received 3% real good Phase 2, truly Phase 2 calls that had -- good faith. We are only right now only at 6%, 70% charge out --

UNKNOWN: And, you are thinking that that is because GPS chip is not in the phone? Do those kids have the -- hey, before you can answer that question, did they have the GPS -- we didn't know. If they did, did they have it turned on? There is all kinds of things that enter into this. When you do look at this, when you do look at it, and I mean -- because I kind of like the fact that you guys made the decision that I can't have it because -- or whatever -- it wasn't me. Okay. How come we are not paying? I think it is kind of obvious that if you looked at -- before we go into this -- why the cell phones are really looking, there might be another approach to get this right to put the

money in against the counties to get them ready even though we don't look at the wireless just yet. We look at the counties and what it takes to get the counties ready. That is we are trying to get the counties ready and that is our first priority for everyone in some kind of manner that makes sense. I mean, if I am looking at this right, for Phase 2, in the counties were \$3,653,000 is the non-recurring -- I mean, I guess I am reading this right is the non-recurring cost for those counties that are not at Phase 2. I mean, I don't know how to read these non-recurring costs. Is that correct? \$3,653,000 to bring the counties into compliance?

MS. MELTON: Those are their one time cost, yes, but it is --

UNKNOWN: Do you see what -- that is exactly right, but it means that we would make a move forward throughout the state of Nebraska to get them ready.

COMR. VAP: I have had an individual from Plattsmouth contact me representing a group of venture capitalists, investments, who said, we might be willing to just plump the whole \$21,000,000 to do this. Then, you pay us back out of the service charge. I said, well, why don't you go to Jon Bruning and ask him if it is legal for us to borrow money because as a state, we cannot do. From there, he has never gotten back to me with an answer on whether he thinks that we could

legally do it or not. I would question that we would want to do something like that simply because as we talked about today, we have got counties that are not even ready to even talk about it. Why would you want to get all that money gathered together and --

UNKNOWN: The best -- it is not paying interest. The best thing is to upgrade those PSAPs so that they are ready to take it. Then, when you have done that, then, if you want to take on and you could do it statewide, you just don't do it for Douglas County. You just don't do it for the corridors. Those vendors that can provide it at no charge, then, they all come on at the same time. You are keeping a level playing field all throughout the state which is -- I mean, I can't believe I am saying that because of the amount of dollars that we have put in. In other words, 50 cents, we Phase 1 first and really when you look at it, out of our 50 cents now, 30 cents of that is going into the fund. Twenty cents pays out recurring costs, 30 cents a month goes into the fund for everybody to use. So, fine, let us get all the counties ready to go. At least, there is a plan there to say, hey, this is where we are moving. Why those cellular work themselves out?

Because I still think there is another alternative, and that is eventually to get the cell company -- how come they are not all coming at the same way? Why should we

maybe pay to have for their infrastructure costs if the other infrastructure costs are already in.

UNKNOWN: What you would do if you had competing telephone companies if you went that -- is you would have the two companies -- just say you have three companies in one county, and two of them were -- low cost and the other ones are charging. That is going to be quite a --

UNKNOWN: It would be wonderful.

UNKNOWN: Advertising battle for the --

COMR. VAP: How many -- companies are operating in Omaha --

UNKNOWN: One time, there were like eight, but now they are down to --

UNKNOWN: They are down to seven.

UNKNOWN: They are coming slower as the mergers take place. I mean, Nextel is still there, Sprint is still there, but there are going to be --

UNKNOWN: I still like the idea of -- I still like the concept of going least cost first, so, you get the entire county up. But, on the other side of that coin, if we went -- what you just said. If you went no cost first, and someone had a good PR program behind it, it would sure throw a lot of egg on peoples face that were charging for it. Right?

(several talking at once)

UNKNOWN: What I see you are saying -- you just upgrade the counties. That would, in effect, do the same thing --

UNKNOWN: We want to upgrade the counties, to get all the counties at the same level. We want to get them ready for this, okay, because there is where the big thing -- we want to be able to have this -- it makes more sense because then you are applying the effort --

UNKNOWN: I agree with that but on the same token, somewhere along the line, someone has to put some -- sink some teeth into that and say what about the counties that don't want to go any further than where they are? Do we have to be able to sink some teeth into that to get them to that point?

UNKNOWN: But that would give us time to get that in place. That would give us time because it is going to have to be the Legislature. We are going to have to probably go regional call centers for wireless.

Okay. The calls would be answered in this center one way or another. Then, you will just -- okay, I will call you on the phone and say, you have got an accident at this location and you are going to dispatch it. That is all it is going to take, but I mean, you are going to have to have -- this is --

UNKNOWN: You run into an issue of, you know, if I am going to dispatch let us say for five additional

counties, and they have got a lot of population, it is going to take more warm bodies --

UNKNOWN: But what he just said, though, let us clarify two things here. What he just said was is that you would dispatch for five additional counties only the wireless.

UNKNOWN: I am not even saying you dispatch. You just take in the call. You make sure that you could spot where it is, and I will transfer the call to you and say here comes a 911 call. It is at the corner of Walk and Don't Walk.

UNKNOWN: But, in a sense, he is still dispatching.

UNKNOWN: He is dispatching, right, which I said a regional call center. I didn't say a regional dispatch because there is too much at stake there. There is too much radio --

UNKNOWN: I understand that but you are talking wireless calls only?

UNKNOWN: Yes.

UNKNOWN: Or all calls.

UNKNOWN: Wireless calls only because you can selectively route the wireless into that thing, now they can do. Now, if there is wireless surcharge or the surcharge goes back to the counties, it goes to his PSAP, or, you know, depending on the --

UNKNOWN: There is a labor issue there -- a labor issue arise, and that would have to be addressed.

Now, that is a necessarily bad idea, but it is something that would have to be taken into account.

UNKNOWN: My question -- is there some attractive options to -- I believe -- is that the way Iowa did do it?

(taking at the same time)

UNKNOWN: I mean, to me, within the least cost approach, you still have to have a stair step, and getting to that stair step is before you even request Phase 2, you have to have a PSAP ready.

UNKNOWN: And, I agree to that, but least cost brings in -- cost to the cell phones -- we have it here, which the conversion to cell companies. That is very different because it doesn't place any impetus on the cell companies to move forward faster. My question before I get lost here. Is there a chance that if -- let us say we went that way and upgraded everybody who is ready to receive Phase 2. By the time the cell phone companies can convert their products and the citizens can get their chips in place, is the technology we are going to be implementing, paying for up front, still going to be good technology? Are we going to have to pay for it because we are going to be upgrading? I don't know.

UNKNOWN: We are trying to get them ready to receive a lot of data down the -- stream -- and, all we are trying to do is allow them -- I mean, so, you can change that any number of ways you want to because it is just a stream of data. The other thing is mapping which once we get the mapping thing in there, then, you can do -- you know, it is going to work for a wireline, wireless, and, you know, maybe Voice Over IP depending on which way they go that because you are going to have PDAs. I mean --

UNKNOWN: The standard of requirements are for a PSAP, you are mapping X, Y, Z. However, the technology of the wireless carrier, you have to deliver that XYZ. However, that carrier that chooses to do that, either triangulization or -- that is the only two right now.

UNKNOWN: I just want to make sure we are comfortable. If that is not going to adversely affect anything down the road.

COMR. VAP: If you wait for the latest technology, you will never do anything. You can't --

UNKNOWN: One of the things that was interesting, when they came and said, how come you didn't have it. I said, I don't know, go ask somebody else. Okay.

UNKNOWN: Now, you identify the person --

(several talking at once)

UNKNOWN: The thing that bothered me, even as I got caught in the middle of this and everything else, I said, go call them. They asked the question and it became a dollar and cents thing. The one thing that is probably lost in all that is, okay. I thought a lot about it in the last couple of months since I knew I was coming this way is what is the plan? As far as I can see right now, really, we don't have a plan that we can say, yes, we have an approach and this is the way we are doing it. We have kind of looked at a thing, and it is coming together. So, if I was going to -- the one thing that I don't want to do is what you are kind of suggesting is we say, okay, we are going to take these two, but we don't take his company. Okay. Somebody is making a god-like decision because that decision is going to have an impact somewhere. That is going to have an impact that what he would have done, his company, then those two kids would have been alive. Okay. I kind of -- I struggle with that.

UNKNOWN: That is why I still -- we have got to go with the least cost.

UNKNOWN: I struggle with that, but if we have a plan that says we are going to prepare the counties throughout Nebraska to receive Phase 2 --

COMR. VAP: So, what you are saying is let us

get them all up on Phase 2 capabilities, and in an instant, we have the cell phone companies to say I guess we had better do something here.

UNKNOWN: At least, we have a plan. At least, we have an approach.

UNKNOWN: Now, that might have to be done regionally. I don't --

COMR. VAP: But you would be basically making a conscious effort to get the counties capable while at the same time, you are sending a message to the cell phone companies. We will turn you up if you are going to do it for nothing.

UNKNOWN: And, it may come down to that.

UNKNOWN: Well, the other thing that it would do is give the citizens time to recognize -- get educated and recognize -- they have, but, to be honest with you, I couldn't tell you whether my phone that I carry in my pocket is Phase 2 capable or not.

COMR. VAP: Most of them, I understand, have an on and off switch.

UNKNOWN: But you know, that may be something that would buy the citizens time to get educated and get their equipment up to speed.

UNKNOWN: We addressed the county plan back up in Sioux City. I think that was the motion you made. I am not sure how we migrated away from that. I can't

remember. Do you have a plan in place so that within a given time frame, like two years, that we get a notice that if they are not going to go, then, they are going to be grouped with somebody else, that they would take their dispatch somewhere else. So, we have a plan for the counties in place, and that still makes sense. On another issue, you know, all the wireless carriers have a mandate to have all of their phones that they sell with chips in place, they have to have the market seeded with so many phones. That started a couple of years ago. So, there is a lot more phones out there with chips in them probably, you know, right now. They are just not all turned on.

UNKNOWN: Can you answer the first part of his question? I guess this is something that I think -- I am not sure what happened or why the Commission took that mandated date that we had moved forward with a motion. Of course, we are just an advisory board. But we had passed that on and I think it was 2-1/2 years or three years or something, but we had a date -- at that meeting. Obviously, there was a reason why you didn't to -- the Commission didn't want to send a letter out with that date on, and to move forward that way. What I am just saying is I am curious of why that was and is that same reason going to be here today. Obvious, this morning, when the Senator was here, we discussed that

again, you know, but we need to sink some teeth into it.

Is that -- do you really feel today that by putting a date on, we could move forward? Do you see where I am coming from?

COMR. VAP: Yes.

UNKNOWN: There was a reason back then why you didn't do it. I never did really get a real clear reason of why.

COMR. VAP: I am just giving you a guess here.

Without seeing the minutes and going back to that date, I am guessing that it was -- the question was asked do we have the money to do this in that period of time? The answer was going to be no. Are we going to have the money in three years or two years to do it? The answer is going to be no. So, the decision is why set a date if there is nothing we can do about making sure it gets done? Let us go back to the drawing board and find out what we can do and what we do have.

UNKNOWN: Do you still feel today that we wouldn't have the money three years from now to do it?

UNKNOWN: On Page 1, you should.

COMR. VAP: Page 1, you should?

UNKNOWN: Well, I --

COMR. VAP: Only if you get the extra 50 cents. No, you won't do it with what we have got right now.

UNKNOWN: For Phase 1?

COMR. VAP: Yes.

MS. MELTON: There was a measure afoot, what was it, six months ago, that remember when we had called different -- because they were not E-911 and tried to get them to regionalize? Remember when we exampled Madison County?

COMR. VAP: Yes. We had Madison County that wouldn't even cooperate.

MS. MELTON: Madison County was one. Region 26 was one which is a huge gap. There is a group of those people that are trying to move forward. You know, you are going to go to another county -- Region 26 is a huge gap. They all went away from that, going to go back to their jurisdiction trying to move forward, but we have never really captured that back to where they are at. Region 26 probably has a -- no, I think there is 12 or 13 right in the middle. I need to get my map out. Anyway, the concept was they at this present point in time, the -- E-911, we are going to give you an opportunity to move forward and trying to find where you are at with your E-911. But, at that point in time, we were going to say within a given point in time, a year, we are going to need to have your calls sent to some place else. Are you going to work with your jurisdictions in order to try to work -- to try to move with what you need to do? We need to get your Phase 1

calls into a location. That is our requirement in the board. They were not addressed, and they had no plans to go to addressing. We have not gone back to those people again. I know Kara probably has a better status, but I know Region 26 is in a real pickle right now with what they need to do.

UNKNOWN: My only standpoint is what you are saying there is I see two issues. One issue is where you have went out and you have asked Region 26, can we move forward? Can we view this? The other issue is not go ask them if they can move forward and do this, but say, by this date, at this time, either you are going to have to have it done or if it isn't done by this date, we are going to move forward with it.

UNKNOWN: Well, they would love you to do that -- there is no -- they can't have an unfunded mandate. You would be placing an unfunded mandate, but there is something else --

COMR. VAP: Before you could do it, you would have to research the law to see if we could even do something like that. Chances are we can't because we are telling the local county what they have to do and they are going to say where is the money going to come from?

UNKNOWN: When I say that, I am only talking wireless. I am not talking all --

MS. MELTON: This is still a fund. I mean, the power that we have to enforce this is that we won't pay for it. So, you don't get the money unless you do it the way we said. But if you want to go ahead and do it your way or not do it at all, the only power we really have is to not pay you.

UNKNOWN: So, the Governor is given the authority. Two years ago, the FCC -- I mean, this was a big issue. They put it down to each Governor. So, the Governor could enact legislation, but it was interesting because you have got another bill going on this is that -- it looks like --

MS. MELTON: A federal grant?

UNKNOWN: The federal grant which was designed to support the wireline 911 to get it. Now, I found it interesting that you are starting to come over into the wireline stuff because that grant was really designed to help the wireless. So, unless the Governor said this is the way we are going to go, I was really curious as to why --

MS. MELTON: Let me explain the wireline because I am not sure if I understand exactly what you were saying. That wireline bill, all it does is enable us to act as a facilitator to help us either apply for some that we can -- if we are the eligible entity for a federal grant, and get that money where it needs to go

or to assist the local governments.

UNKNOWN: Like why would you --

MS. MELTON: Because they may not have the access to people to help draft grant requests and things like that. If they are the grant recipient, the money never comes here.

UNKNOWN: Right, which is fine, but I was just curious as to why you were crossing over into the wireline --

MS. MELTON: Because we have seven counties that are making absolutely no effort to enhance wireline.

COMR. VAP: And, they are saying we don't have --

UNKNOWN: Was that at somebody's direction? Are you aware of what I am talking about? Yes, it is a county option as to whether they want to do it or not, but I think if you start getting the money, the down side, you get the money and you are going to go into those seven counties and say here you are, and now we have got the money for you, and they don't want to pay the --

COMR. VAP: It would be only on a request basis from those counties if they wanted to go for a grant. This was a case where I believe there was a county or two that said, we don't have the money to do this. Are

there grants out there?

MS. MELTON: And, some didn't even know they had missed a couple of opportunities because they simply didn't know about them.

COMR. VAP: And, they said, could you help us?

We said, right now, legally, we can't but we will go to the Legislature and get permission to act on your behalf or at least assist you in writing the grant which is basically all that says. If a county says, we want to do this? Can you help us get a grant? If the legislation passes, that is what we would do. We are not going to go to Antelope County and say, and I am not sure what their status is, but we are not going to go to them and say, you are going to have to apply for this grant because we are going to make you do it. It has got to be them coming to ask for it.

MS. MELTON: Wouldn't be able to because every grant -- usually has a match requirement that would have to come from the grant recipient. We can't provide matching funds for federal grants on the wireline side.

Every grant would have reporting and all kinds of compliance things that we simply couldn't do on their behalf.

COMR. VAP: The only reason went for it, Mark, is because we basically had a --

MARK: And, I understand it, but what I am

looking at is we are missing a piece here which is almost like going to the Governor and say, okay, this is your responsibility. What are you going to do? Either give it to somebody, you know, need it or what because he does have kind of, you know, through mandates, and I wish I would have brought it. I know it was two or three years ago. I thought it was interesting that they put it on the Governor, but by putting it on the Governor, they put it on the state, but our Governor didn't do anything. He didn't take it to, you know, communications or the Public Service Commission and say, you do this, you take this over, which means that there is legislation that is going to have to be enacted to cover this. I don't know -- I always thought if Nebraska was really serious about it, then, why isn't it being approached from the state level as a state directive. That is what the FCC wanted to happen.

UNKNOWN: There is conflicting ideologies here.

We can take about all these issues but unless we have a unification of ideologies, they are not going to come to a conclusion. I mean, we have -- the basic idea of E-911 is identify where cell phones are. You get right down to the basic here, this is an invasion of privacy, folks. Think about it. Well, that is the first thing -- you know, I am fooling around on my wife, and I don't want anybody to know where I am at. Thank you very

much. I don't want your stinking chip in my home. Then, you are going to tell the cell phone companies that you have got to put the chip in. Maybe or maybe not. Then, you are going to tell the counties that they have got to do, you know, rural addressing, maybe or maybe not. Then, you are telling the counties that well you can apply for loans, but you have got to come up with matching funds. Then, Angela, you can tell them that, you know what? You are not going to get any money from us. They say, we don't care. We don't want your money. We are not going to do it. Then, you sit here with a fund, people criticizing us for not implementing this thing. Well, this is like herding cats, folks. There is no solution until we get to a focal point to say, all right. This is what we are going to do and this is what we are going to mandate because you have got conflicting ideologies here and nobody is going to do the same thing. You cannot make them do it. You cannot reach a unified and census to say, this is how we are going to do it. So, when you sit here and try to say, we are going to roll this out. We are going to roll that out. I think you are trying to define this much too closely. You cannot do it on a fair basis on the first come-first serve and you are not going to get every county in Nebraska to do it. I am not going to name names, but they are out there.

UNKNOWN: Let us go back here just a second. First of all, going back from Day 1, our responsibilities were to try and move forward and get Phase 1 coverage across Nebraska and slowly bring Phase 2 into it. So, let us go back to the basics. Are we still going to try and get Phase 1 across Nebraska? Now, obviously, we can't stop them from calling 911 and getting Mildred's house. Right?

UNKNOWN: Right.

UNKNOWN: But if they make that call from a wireless, we can, if that county doesn't want to accept what we are saying needs to be done with wireless, we can route that wireless call to someone else that can take care of it and we make sure that it is being routed to a house that someone is not out getting their hair done.

UNKNOWN: Maybe. I don't know that they can do that. You can try, but I don't think you can --

UNKNOWN: And, that is our goal is to try and get Phase 1 across Nebraska. That is what I am saying is -- I keep looking back at the objectives that we were going to roll. Phase 1 across Nebraska and if these counties don't want to help themselves, and I still feel there needs to be a date and a time attached to that. If they are not going to help themselves in the wireless part of it, then, we need to let them know the date and

the time and then we are going to send it to someone that will. That is how I look at this. Then, we can still get some Phase 2 -- then, we start to bring some Phase 2 in.

UNKNOWN: You know, I think to the extent that the counties will get rural addressing, to the extent that they will combine the communications center, to the extent that the cell phone companies will cooperate with you, those are the ones that get funding. You know what? It is kind of a natural selection. The others will start falling in line. I mean, I don't know that there is a fair way to do this.

COMR. VAP: You get 75% -- 80% of the state up on Phase 1, the pressure is going to be on those other counties to do something.

UNKNOWN: Absolutely. You get organized, and you get doing it --

COMR. VAP: You get 30% of the state up on Phase 2, those that have got Phase 1 are going to say, we are next. It will happen that way. It always does. You just look at all over the state with school consolidations. They fight it until they finally figure out, we have got to do something.

UNKNOWN: Well, that is my standpoint. I still feel, and I am still not convinced that even with the money where we are at today, I am still not convinced,

and that is going to bring up another issue that I would like to see changed, I am still not convinced that we don't have the money sitting at 50 cents right now to do Phase 1 across the state. Obviously, if we bring 12 -- in, and we send them to one spot, just the wireless calls, it isn't like we are going to be paying ALLTEL and Western Wireless and Sprint and everybody else 12 different counties of up front costs. It is going to be for a region. I would think that region would be less.

MS. MELTON: I guess we do need to reevaluate that. That is a Kara issue or Joan's issue, to reevaluate the cost of Phase 1 to move forward in looking at those pockets. I would say someone needs to put stats back together again and readdress them back to us and bring it up at the next agenda to reevaluate them.

UNKNOWN: And, have a projected date attached to it.

MS. MELTON: But, at this present point in time, until we look at stats, I don't know.

UNKNOWN: I don't disagree with that.

UNKNOWN: So, what you are saying is we can't make a decision on this today.

UNKNOWN: I don't think that is necessarily true.

MS. MELTON: I think we can make a decision on

Phase 2 rollout and how we are going to do it. But, to continue, I think that -- at one point in time, we had indicated we were not going to do Phase 2 until we are finished with Phase 1.

UNKNOWN: Or until there was no Phase 1s on the table.

MS. MELTON: That is right.

UNKNOWN: If there were no Phase 1s, and a Phase 2 request came in, then, it got funded.

MS. MELTON: Right.

UNKNOWN: Then, as two more Phase 1s came in here, and a second Phase 2 came in, these were dealt with before the Phase 2.

UNKNOWN: Exactly.

UNKNOWN: That is how I understood it. Going back to what you said, I agree, and I would like to see us -- I don't know if we could make that as a motion.

MS. MELTON: If you want to make it a recommendation --

UNKNOWN: A recommendation needs to be a motion?

MS. MELTON: Yes.

UNKNOWN: Okay.

MS. MELTON: I recommend that we reevaluate Phase 1 costs, look at the consideration for what we need to do to finish Phase 1 deployment, and a date

-- and attach the date --

UNKNOWN: And, in that determine the extent to which we legally can mandate because we are looking at mandating other entities to do -- I mean, that is what we are talking about.

UNKNOWN: State statute could.

UNKNOWN: That -- a consideration -- of what our options --

MS. MELTON: My motion is that we look at Phase 1 costs, to finish Phase 1 costs, across the state, and looking at what it would detail to put a date to that.

UNKNOWN: When you say Phase 1 costs, are you also throwing the recurring on the -- so, really evaluate the recurring?

MS. MELTON: Yes. We need to re-look at all of that, to finish Phase 1. What is it going to take to finish Phase 1 period.

MS. RAFFETY: To evaluate what the Phase 1 costs would be for the counties that haven't requested or are in the process of Phase 1. To see basically what date this could be done by. Is that -- and, the extent to which we could mandate them to route their calls to a PSAP that is able --

UNKNOWN: No one can go Phase 2 unless --

UNKNOWN: No. There is nothing about Phase 2 in here --

UNKNOWN: What we are saying in this vote is that we are going to move forward with Phase 1. We are going to evaluate the cost and the counties that are not Phase 1. They would probably be notified that a date would be placed, that they need to be compliant by that date, and, if not, we can redirect the wireless calls to a different place. There is only one thing that is not in the motion that you two may want to consider is that at a later date if they became compliant, they could get their calls back.

MS. MELTON: I am not going to address that at that point in time.

UNKNOWN: How are you going to re-direct wireless calls?

MS. MELTON: You can't.

UNKNOWN: If that is what the motion is, I am -- it is not what I understood because what I understood is we are going to -- if that is the motion, I misunderstood the motion because what I thought you were saying is let us get a fresh look at it. Let us reevaluate it, not we are going to tell them this, this, and this.

UNKNOWN: At the same token, that is true, and by reevaluating and looking at the dollars and having a projected date for that -- that all --

UNKNOWN: -- evaluations done, we come back

and talk about it --

UNKNOWN: -- it is implicit that we are going to take action --

COMR. VAP: What is you are suggesting here is that you are going to reevaluate the entire Phase 1 rollout, and the costs connected to it. You are also going to evaluate the potential for routing calls to another PSAP in a county that is not even enhanced at the local level on the wireline. I say you are evaluating that potential is what you are doing because you are not going to mandate anything from this board.

UNKNOWN: I am going to say we have to evaluate our capability to do that --

COMR. VAP: So, it is -- but you are going to have to evaluate that potential for telling a county if you don't do it, here is what we are going to do.

(everybody talking at once)

UNKNOWN: We are going to come back and look at this next meeting and then discuss it so more. They are just bringing us this information.

UNKNOWN: I am going to give you an example. Everyone within our state from a mobile phone or a mobile phone can dial 911. You can do it today. That mobile switch and how they route that call routes it all over the place. If they are not into a 911 network, it does not go to a 911 PSAP today. A lot of those numbers

are in there. They are going to the State Patrol. A lot of 911 today, calls are going to the State Patrol in areas where they have not set up the 911. They are going to the State Patrol in North Platte. There are still going to the State Patrol in Grand Island.

UNKNOWN: You can do that, but what is going to happen, too, is if you reroute that call --

UNKNOWN: We send it to an adjacent PSAP.

UNKNOWN: Then, you are forcing that adjacent PSAP probably legally to become a dispatcher for the other counties and they are not going to get paid for it.

UNKNOWN: To me, there is going to be --

UNKNOWN: So, if a call goes in, and they don't dispatch it anywhere? You can't force County 2 to dispatch for County 1.

UNKNOWN: I agree.

UNKNOWN: So, that call should go there --

UNKNOWN: It is not dispatching. That is what I want to get away from. You can have a call center and you can have dispatching. Okay? Anybody can answer the call. In other words, I take 60,000 calls a month. Do you know how many people I have answer the phone at any one time? Three. Okay. In the afternoon, maybe four, but three or four people are answering 60,000 calls a month. Okay? Answering a call is -- depending on --

all I have to do then is once I know your location, I transfer you to be dispatched. We are not going to take their dispatch responsibility. We will never take their dispatch responsibility.

UNKNOWN: You are passing on the call to the dispatcher.

UNKNOWN: All we are going to do is take the call and if we have to find the location, I have the capability to spot that so that when I pass it to you, I am saying this person is calling from this intersection or seven miles down this highway.

UNKNOWN: You are responsible for --

UNKNOWN: You take it over at that point. You are talking to them. Are you hurt? Are you this any everything else? In case they don't know their location, we will have verified it to you. It is a very -- I mean, it is a fine line, but it means we are not taking the responsibility to get service to you. We are just going to help you identify where that call is.

UNKNOWN: Once you answer that phone, you take the responsibility and you pay somebody to answer the phone. If you take another -- county phone call, you are going to pay extra people.

MS. MELTON: If I may, a lot of this discussion is probably in the evaluation that you are recommending. This is multi-layer. I think you are all kind of

talking past each other.

COMR. VAP: What it comes down to, if you want to -- is evaluate, and realize it is a recommendation to the Commission to proceed with another evaluation.

UNKNOWN: Make a comment. I was with Nebraska -- everything to Grand Island -- volume -- I don't know out of this evaluation, is there any way to compensate -
-

UNKNOWN: To me, that is part of Phase 1.

UNKNOWN: We are in a discussion now --

UNKNOWN: We need to move forward. Let us call the question. We will just go with the roll call vote.

(Motion made and granted)

UNKNOWN: Now, back to the Phase 2.

MS. MELTON: The last agenda item, because Kara is not here, we don't have information to pass along, so, it will not -- that will have to be taken up at the next meeting. We will have to pass --

COMR. VAP: So, you are really on your last agenda item.

MS. MELTON: We are on the last agenda item.

COMR. VAP: Okay, that is fine.

UNKNOWN: I guess from my standpoint, I think we need some discussion, but I would hope that we could do this in 15 minutes. What I would like to see is try and come up with a direction of a plan to say that is

the way we are going to try and move forward with. My next question is, off of that, when we do that, I personally would like, and we have had this discussion - - I don't know if it was last meeting or when, but I would still like to see us try and roll out at least two counties in Nebraska. The reason I am saying that is I would like to see a metropolitan county roll out and I would like to see a rural county roll out, Phase 2 to come on those two counties. I don't care where they are at. They could be at opposite ends of the state, I don't care. That way, we would know what our percentages are, rural vs. metropolitan as far as the saturation rate of the GPS chips. That is what I am getting at. We are sitting here guessing. We have no idea what we have got. It may not, but are they going to be equal or not equal? That is what I am saying. We don't know that.

UNKNOWN: I still go back to -- I think his county -- some considerable merit, and that is looking at making counties that are capable of Phase 2, Phase 2 capable, and then, you know, obviously that isn't the end, but it would have then allowed us to get coverage to some people where there is no charge for the change over. I think it would allow the public time to buy phones and educate them as to what they need. I think it would put the impetus on other cell phone companies

to move forward in the public interest.

UNKNOWN: From my standpoint, to -- where you are saying, is I think the information that is coming to us next meeting deals with -- directly deals with getting all the counties to a point of being Phase 2 capable. Once you have got them Phase 1 capable, that is the biggest step to get to be Phase 2 capable. There is two pieces, but that is a big step.

UNKNOWN: We talked about Phase 1, but the next step that we do really need to consider is -- I agree with what Ike was indicating, what Mark was saying, it is a stairstep approach. The PSAP has to be ready to receive the data. That is our next step. That is our first thing that needs to be on the schedule.

UNKNOWN: As far as the maps and stuff.

UNKNOWN: Yes, we need to get our PSAPs ready to be able to handle Phase 2 calls. The next step is, which is your least cost roll out for the wireless service providers.

UNKNOWN: I guess the next question is in looking at those maps, and we had discussion two ways, we had the no cost, and the least cost. I tend to agree with what you said. I would have a hard time having half of a county activated versus all the county --

UNKNOWN: But you can't activate them all at one time. The wireless carriers don't work that way.

They have their own approach. I mean, you can go ahead and request -- once a county is up, you can -- that county can request Phase 2 to all the carriers, but they are going to have probably six or seven month time frame to turn up. They are not going to all --

UNKNOWN: I understand that. Our request would be so that all the carriers would be requested to come up whether they have a time frame or not. What I am saying is, I don't feel comfortable requesting just the ones that are going to do it for free for a county, and had this one over here that could deliver it even though he is going to charge and some half.

UNKNOWN: Well, the down side of this -- brought up the last piece of the puzzle and that is going to be the capability of the carriers to implement once we ask them to turn up. In other words, your stair step approach is going to have to be -- we get the counties available. Then, we see that, okay, you are able to provide at no cost. This Commission comes and says, okay, these are the counties that are available. Please look at your implementation schedule. Please see what it has got to do. Please come back with your implementation schedule because you are not just going to throw a switch and bring everybody up at the same time because you have had to use testing and everything else. It could take seven months to bring three --

well, not three counties, but I mean several counties up.

UNKNOWN: It may take seven months to bring one up.

UNKNOWN: The PSAP -- the first thing you do is to get PSAPs ready, and then you allow that PSAP to request Phase 2. All carriers -- but all carriers could be no cost carriers -- would more than likely come up first, but you have requested of those other carriers to -- it may take ALLTELS of the world to move forward longer or it may take another one because they need to put infrastructure in place. They need to buy equipment. They need to buy additional -- they need to build their software platform. But their mobile switches may be already to a degree that they can. But, they, then, will be able to move forth with what they need to do with their business plan knowing that we are ready to move forth. But, until you request Phase 2, that carrier is not going to move forward. That carrier may have all different -- I mean, it may take them a year and a half or two years, especially the network phase. They may not be ready for quite a while because it is relying on --

UNKNOWN: How many Phase 1 requests that are on the table that you haven't completed?

MS. RAFFETY: We have three or four, and I just

got an e-mail this morning from someone else.

UNKNOWN: I don't think it is much of an issue right.

UNKNOWN: Well, the issue is that we can change the issue.

UNKNOWN: If they requested Phase 1 -- yes, you are going to look at it and everything else, but we can't go in and say you have got to do it. The request still has to come in. When you send out and say, hey, we are going to evaluate what we are doing, and we might evaluate in sending these calls to -- just as evaluation, I would like to see once you get that out. I would like to see the number of Phase 1 requests that start coming in. It might say, oops, we had better do something because you have got a lot of counties out there -- are they just not capable of -- Phase 1 or they just haven't done it?

MS. MELTON: We have got probably both.

UNKNOWN: Let us take a different approach with this. Let us say that we have got a pile of money. Okay. We will set the criteria. We will put the onus on the local politicians to take care of the situation.

In other words, we got the money -- we get a Bob BROWER, for instance, or we get whoever it is -- once you are, rural address, once you are -- you have combined communications with -- the communities that are

within a county or some kind of boundary that says once you have accomplished that, once you have the cell phone companies that operate in your area compliant with A, B, C, D, we will fund you or to the extent that we have the money. If you want to go to Phase 2, you have to have all that stuff plus you have to have G, H, I, J, K, done also. So, we set the criteria that we will fund. You see, that puts the onus on them to get up to wherever they need to be, whether it is Phase 1 or Phase 2. We cannot deny Phase 2 just because there is other counties that have not completed Phase 1 or even rural addressing or whatever. So, you put the onus on them, they get this done --

UNKNOWN: Their costs are going to have to be generated here. In other words, the minute I do that, I have to come in -- but I have to come into you because you had this -- I asked for the GEO COM. I asked for the mapping. I asked for all that stuff to do, and I am going to ask you for the money before I do that. So, you are saying you must do this ahead of time. Well, they are not going to do it until they get the money.

UNKNOWN: Okay, fine. We will say we will give you the money, but you have got until this date to get it done. If you don't get it done, then, you give us the money back.

(everybody talking at once)

UNKNOWN: You need to have the ability for the local person to make those decisions and get the job done because if nobody responsible -- everybody is going to lose. That is the way it works.

UNKNOWN: They have that ability right now.

UNKNOWN: All right. Then, we will fund them when they get A, B, C and D done for Phase 1.

COMR. VAP: -- you are going to have to do all that -- if you do it, we will give you this money. Say, we are going to give them \$50,000 and it is going to cost them \$250,000 to do this, those county commissioners are going to say, ah, screw it.

UNKNOWN: I think we are getting confused because remember our Phase 1, before they can even move forward with Phase 1, they have to be E-911. So, we are getting that confused. Are you saying -- in Phase 1, once they are E-911, they can request Phase 1.

UNKNOWN: What I am getting at here is, I am hearing two different ways. First, and I am going to fall back to the least cost. Looking at the least cost map versus the county that is already Phase 1 compliant and ready to move forward to Phase 2, are we saying we are going to go with the county that meets that criteria, is Phase 1 compliant, and ready to move forward with Phase 2, making a request to them and we do it on a first come, first serve? Are we going to go

back to a map of least cost?

UNKNOWN: I think we are making it too confusing at the present --

UNKNOWN: How much money is in the fund?

UNKNOWN: It is all going to be tied to whether we get money or not.

UNKNOWN: Eight million.

UNKNOWN: Eight million. And, if I looked at that to prepare the counties to get to -- if I see what it is going to take to prepare the counties to get to Phase 2, what is it? I mean, is it the three million?

UNKNOWN: The county -- ready is three million six to get the -- wireless companies ready --

UNKNOWN: We can accomplish getting the counties ready. That is why we think -- there is money there. We don't -- money is not the obstacle to get the counties -- to get as many counties as we can ready. It shows that we are moving ahead. It shows that we do have a plan and that we are moving ahead because we want to get the counties that are capable ready. We got the money to do that, and got the money probably to bring up the counties that want Phase 1 as they come along based on what I just heard. What we don't have the money in, what we don't have the money at this time, and we will still be, even during this time, we are still going to be generating the fund balance because we have got

enough money into this. The more we take --

UNKNOWN: We are only generating about, what, \$400,000 a month, somewhere around there.

UNKNOWN: What you are saying is by getting a county prepared is -- going into -- letting the counties request to get prepared, to get the GEO COM map put in, make sure they have their addressing, that they are ready to receive whatever it takes on their -- to get --

UNKNOWN: That is what you are saying.

UNKNOWN: Yes, I am just saying that they are there. One day, you will allow it to come through -- well, training. Don't forget training. One day, you start allowing it to come through based on the schedule of the carrier. Now, some of this can go simultaneously once you have it because it doesn't stop us from going to the carrier and saying, give me -- these are the counties we think we can roll out.

UNKNOWN: Okay, I can buy that because right now, we have 30 some counties that qualify for that because there is 30 some counties that are Phase 1.

UNKNOWN: Phase 2 --

UNKNOWN: No, we would have to look at the map because not everyone has mapping yet. We would have to go back --

UNKNOWN: It makes sense to me to, as you say, kind of run these things on a parallel course and get

the counties ready -- the counties that are Phase 1 and ready to be Phase 2, get those counties ready to receive Phase 2. Continue with Phase 1 obviously. Then, if there -- as many as available, fund those counties that -- to convert them to Phase 2, fund the wireless companies portion of that on a least cost basis.

(everybody talking at once)

UNKNOWN: Give them the counties that are available and say, give me your implementation plan as far as putting this in.

UNKNOWN: Now, going back to what you are saying, and we are talking the counties that are Phase 1 now, are you talking about letting them counties request it or are we going to say go by the map, by the colors first?

UNKNOWN: I am suggesting, allow the PSAPs to move forward -- ready to receive their data.

UNKNOWN: By sending letters?

UNKNOWN: By sending letters into us and saying, okay, I would like to -- no, you can't request anything to the carriers yet. It is allowing the PSAPs to be ready.

UNKNOWN: What I am saying is are we going to go by the map on certain counties that are colored first to request?

UNKNOWN: No.

UNKNOWN: Are we just going to allow them request?

(everybody talking at once)

UNKNOWN: Are we requesting the Public Service Commission -- requesting Kara to send a letter out to the Phase 1 counties that they may do so?

UNKNOWN: Well, I think we make a recommendation to the Public Service Commission --

UNKNOWN: So, we are going to go ahead and when we get the -- when we are comfortable with the group that have applied to this entity, that they are comfortable and that they are ready to accept the Phase 2, and we feel comfortable that we have approached enough of the entities that aren't at that level. We want to go ahead and implement to Phase 2 these that are sitting there waiting. Then, they can go ahead and make their request. We would process those and address the other entities that haven't got to that --

UNKNOWN: You saying some based on cost -- based on who is ready.

UNKNOWN: Then, you can still fund the wireless companies conversion cost as you have money on a -- least cost basis across the state. So, you can be doing -- accomplishing all those things basically at the same time on a kind of parallel --

UNKNOWN: We want to get the PSAPs there. Once

we know that we have enough in the PSAPs, and that Phase 1 requests are still coming in, you said there was four of them, they are still coming in, you are still evaluating. Okay, that is moving. Phase 2, now we are getting the PSAPs all ready for Phase 2. They are getting their mapping. We are not just talking about it any more. They are getting their mapping. Money is -- we are showing that, yes, the money you are paying is getting the PSAPs ready because this is a big project. As we start getting it, and then based on what we see the footprint, as we look at -- what we are going to have to do is lay the PSAP over to the footprint of the wireless carrier. What we are seeing -- get our most return, we then send a implementation request to the wireless carriers and say, this is what we are looking at. Please send me what you think your implementation plan is going to be and schedule. It all kind of -- at some point, maybe two years from now, it all kind of comes together.

UNKNOWN: Is that a motion?

UNKNOWN: Yes.

(everybody talking at once)

UNKNOWN: We should have the dollars to help them and not turn them down. I mean, where we get in trouble is when we go to the cellular carriers, so, that what we are trying to accomplish over the next two

years, you already have the funding --

UNKNOWN: We have already said we will help out the cellular carriers, too.

UNKNOWN: The motion would be is that we continue with Phase 1 requests and act on them. That is our priority. As a Phase 1 request comes in, our priority for funding is acting on the Phase 1 request. We then develop rules and regulations or some kind of plan for Phase 2 preparation. In other words, it is a different phase. We call it Phase 2 preparation which is allowing the PSAPs to buy what they need, you know, based on their plan. They are going to have to come in, based on what their plan is, to prepare the PSAP to receive Phase 2.

UNKNOWN: That is an explanation, not a motion.

UNKNOWN: Well, I am talking preparation phase. We have -- we continue to do Phase 1 requests. We implement a preparation phase for Phase 2, and then as those two start coming together, we then develop based on coverage and the best bang for our buck, request two carriers for their implementation plan.

UNKNOWN: I think we are going a little bit too far with -- that is my opinion.

UNKNOWN: Because why?

UNKNOWN: Well, you know what? This is a recommendation. It is not necessarily --

MS. MELTON: That last phase is going to continue to change. It is going to be a moving target.

UNKNOWN: Based on who we have done --

UNKNOWN: At what time are we going to go ahead and start doing -- are we addressing when we are going to go to Phase 2 yet or not?

MS. MELTON: No.

UNKNOWN: We haven't made the decision -- we are not addressing that, but we are addressing that we are moving. We are not saying when we are going to be totally turned on --

UNKNOWN: At some point, this committee has to make a request to the carrier for their implementation.

UNKNOWN: We will make that decision down the road, seeing what our followup --

MS. MELTON: Well, our surcharge -- the Legislature -- within the -- the next time we come back together --

UNKNOWN: We are going to stop waiting for the ones that are not coming in, and go ahead with the ones that are ready.

UNKNOWN: Is the motion -- the last part of your motion -- I got the first part. We continue with Phase 1. We fund the preparation for the PSAPs to become -- that are eligible to become Phase 2 capable --

UNKNOWN: Which is -- based on her figures is

\$3,650,000 --

UNKNOWN: But, then third, are we going to fund those cell phone company costs for Phase 2 compliance as we can on a least cost county basis or a least expensive county basis?

UNKNOWN: I don't want to go there yet because I don't think we know yet what we are going to do because we don't have the surcharge money approval yet.

UNKNOWN: When we are ready, when we know that it is the right time, the request for Phase 2 implementation for the carriers will be generated from - - all we are asking to do is -- the last phase of this is to generate a request to the wireless carrier for their implementation plan and cost which will come back for funding -- I mean, it allows them to come --

(everybody talking at once)

MS. MELTON: We don't have the money to do it or know --

UNKNOWN: -- has money available -- because that is what we are going to do anyway is come back and do it as money is available whether we do it on a -- we are back to the same thing. I think it is worthwhile to do that on a least cost basis.

UNKNOWN: Well, I think that is true -- I think getting back to that, that is a true statement.

MS. MELTON: Are you wanting that in the

motion?

UNKNOWN: Well, yes. I guess I would offer that as an amendment to your motion --

UNKNOWN: So, in other words, what he is saying is when it comes time to implementing the last part, it would be done on a least cost basis.

UNKNOWN: Yes, based on --

UNKNOWN: That is, in a sense, what she said.

UNKNOWN: We are evaluating where we are at and saying, okay, I think we can accomplish this based on funding and stuff like that.

UNKNOWN: The only reason I am suggesting this is because sitting from the outside, I want to see us moving ahead and if the PSAPs know that they can start doing this and really moving ahead, that when the news media comes around because something hasn't happened, we start showing results because we don't have a whole lot of results to show other than Phase 1 which has been pretty stagnant for a long time.

(everybody talking at once)

UNKNOWN: This seems to me to be the most efficient way just to go forward. It really does.

UNKNOWN: Based on the alteration of the original motion, I withdraw my second.

MS. MELTON: Okay.

UNKNOWN: Let us hear what she has got.

MS. RAFFETY: So, is this a continuation of the first motion, then? Okay. So, then, we continue with the Phase 1 requests as we have received them. Then, we develop a procedure for moving forward, preparing the PSAPs for Phase 2, but not implementation.

UNKNOWN: Right.

MS. MELTON: Not wireless carriers --

MS. RAFFETY: Then, the third part would be to implement with wireless carriers on the least cost.

MS. MELTON: If money is available.

(everybody talking at once)

UNKNOWN: That was a motion.

UNKNOWN: I think we have a motion, a motion seconded, and an amendment.

UNKNOWN: We will have a voice vote for the motion.

(Motion carried)

UNKNOWN: One last little thing. There is one thing that I would like to see, given to us at the meetings ahead of time. I am not looking for it to be exact by any means, but is there any way that we can on a piece of paper just give us whether it is a month back or two months back, trying to consistently for each meeting the same period of time of how much is in the fund and how much we are paying out monthly at that time.

MS. MELTON: I don't know. I will check with Kara.

UNKNOWN: Even if it is 60 days old, we would be able to see that the fund is going up or the other is going up --

MS. MELTON: We can talk to Kara.

UNKNOWN: I think it would be a good piece of information that we could have --

(Motion to Adjourn carried)

